



Daily Report

East Asia

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Daily Report

East Asia

FBIS-EAS-96-047

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Singapore's Goh Addresses ASEAN Information Ministers Meeting

*BK0803123396 Singapore THE STRAITS TIMES
in English 8 Mar 96 p 1*

[Report by Chua Mui Hoong]

[FBIS Transcribed Text] Prime Minister Goh Chok Tong yesterday called on ASEAN countries to work together to develop and promote an ASEAN philosophy in the new electronic media, which is now dominated by Western players.

Speaking at the fourth conference of ASEAN ministers responsible for information, he suggested several ways to develop ASEAN media, to project ASEAN's ideas and vision to member countries and to the world.

One way was through satellite television, and another was for ASEAN to develop multi-media publishing material to be transmitted via the global information network, Internet.

It was important for ASEAN countries to set aside nationalist instincts and look for common interests in the information field, and team up to compete with global players if "individual weights are too light", said Mr. Goh.

This was because the global media which reached homes all over the world, were largely in the hands of Western players who viewed the world through their own cultural lenses, and coloured even ASEAN members' perceptions of each other.

Asia's voice, he noted, was now beginning to be heeded after 300 years of European domination. In particular, ASEAN was now at the core of major regional dialogue initiatives.

ASEAN should develop its common vision, and communicate it to the world, he said.

In a keynote address to delegates from the 29-year-old Association of Southeast Asian Nations, which groups Singapore, Brunei, Indonesia, Malaysia, Philippines, Thailand, and new member Vietnam, Mr. Goh outlined the key challenges confronting ASEAN in the multi-media revolution.

Countries were deregulating their telecommunications and broadcast industries, and the next wave of changes would see corporate mergers of companies in the industry.

"Governments will have to start participating or be left out of the technology. The wealth of nations will be increasingly determined by their ability to make use of information technology to acquire, process and add to human knowledge," he said.

He noted that there was already a flurry of initiatives on the ASEAN media scene, including the launch of new satellites by Indonesia and Malaysia, and the launch of Thailand-based ASIATIMES, a regional business paper, and predicted that a few ASEAN media corporations would develop into global players eventually.

But, he added: "We cannot tap into the riches of this technology without also hitting the darker veins. The free flow of information brings with it problems as well as opportunities."

There was a need for "a sensitive regulatory framework" to strike a balance between allowing free access to information, and the need to maintain social values.

This was a major concern in ASEAN, and ways must also be found to immunise impressionable multi-media material.

While governments were not totally helpless in curbing excesses in cyberspace, the information industry itself must "internalise a sense of responsibility".

Information providers should self-police their activities, based on a code of acceptable standards and practices, instead of outraging communities and compelling governments to come up with very strict measures.

Parental guidance remained the key to safeguarding social values, stressed Mr. Goh, adding that parents would be helped by new devices, such as the V or violence chip in America which allows violent or indecent television programmes to be blocked, and filtering mechanisms such as Surf Watch and Net Nanny for the Internet.

The need to make use of new technologies while preventing an erosion of values was also a key theme in the opening address of the seven information ministers attending the one-day conference yesterday.

They also discussed setting up a regional satellite television channel and adopting a common ASEAN presence on the Internet, and exchanged views on regulating the electronic media.

Japan

Japan: Official Says Tokyo 'Not Rejecting' Semiconductor Talks

OW0703231596 Tokyo NIHON KEIZAI SHIMBUN in Japanese 7 Mar 96 Morning Edition p 5

[FBIS Translated Text] On 6 March, a senior official of the Ministry of International Trade and Industry (MITI) commented on the Japan-U.S. semiconductor accord, which will expire at the end of July, and explained an idea of not rejecting discussions. He said: "Although we will not negotiate on the precondition of renewing the accord, we will sit at a negotiating table should the United States want to hold talks." In this way, the official explained the idea of not refusing talks.

Japanese and U.S. views on the accord have no meeting point, and both countries are unable to hold official negotiations. Therefore, MITI plans to call for U.S. understanding by officially informing the United States that "Japanese and American industrial circles are promoting exchanges among themselves so there is no need for governmental intervention."

The same official repeatedly stressed the stand Japan has maintained thus far, saying: "The accord has fulfilled its historical role, and there is no need to extend it." The chances are that Japan and the United States may hold concrete discussions on the accord at events such as the quadrilateral trade meeting scheduled for Kobe in late April.

Japan: More Air Cargo Talks With U.S. Planned 25 Mar

OW0703141696 Tokyo KYODO in English 1206 GMT 7 Mar 96

[FBIS Transcribed Text] Tokyo, March 7 KYODO — Japan and the United States will hold three-day talks in Tokyo starting March 25 on the air cargo portion of the Bilateral Aviation Treaty, the Japanese Transport Ministry said Thursday [7 March].

In the previous round of talks that ended in Washington last Friday, the two governments failed to strike a deal due to differences over rights granted to air cargo carriers under the 1952 Bilateral Aviation Treaty for flights beyond Japanese and U.S. airports to third countries.

The ongoing negotiations, which are due to be completed by the end of March, started last September following an agreement reached last July through cabinet-level negotiations.

Under the July accord, Japan allowed Federal Express Corp. of the U.S. to exercise its "beyond rights" in

opening new Pacific routes via Japan, while the U.S. rescinded a retaliatory move.

Tokyo Works Out Draft for Signing ACSA With U.S.

OW0803082396 Tokyo YOMIURI SHIMBUN in Japanese 7 Mar 96 Morning Edition p 1

[FBIS Translated Text] On 6 March, the government decided on an outline of the draft Acquisition and Cross-Servicing Agreement (ACSA) concerning mutual supply between the Japanese Self-Defense Forces (SDF) and the U.S. forces of fuel and other goods as well as services during training. Listed in this outline are: the issue as to whether such supply can be provided in case independent training by the U.S. forces will be shelved; and supply of spare parts to the U.S. forces will be made an exception to the three principles of arms export. The government will soon hold the final consultations with the United States on the agreement. However, since it is most likely that the bill requesting ratification approval will not be submitted to the Diet until after May, the situation remains delicate as to whether the bill can be ratified within the current Diet sessions.

With regard to independent training, the Ministry of Foreign Affairs and the Defense Agency originally maintained that "support for independent training should not be considered as use of force (which is prohibited by the Constitution)," and have studied as to whether it can be incorporated in the agreement. However, the Cabinet Legislation Bureau has pointed out other possibilities: for example, the U.S. forces may conduct independent training, which also aims at flaunting its military power; and U.S. battleships or aircraft that have been supplied with spare parts by SDF may directly join in battles. Moreover, in indicating difficulties, the Bureau maintains that "there is no denying that the act of supplying may violate the regulation prohibiting the right of collective self-defense and the threat by force." Therefore, no results have been reached at the coordination within the government.

Meanwhile, concerning the supply of spare parts, parts supplied are to be used for repairing fighters or battleships. And since parts supplied will be used for repairing but not for improving their functions, and since parts supplied will be temporarily leased to the U.S. forces with same parts returned later, the government has decided that this supply of spare parts should be handled as an exception to the three principles of arms export.

And it has been decided that when this agreement is signed, these points will be officially announced in such forms as remarks by the chief cabinet secretary.

Tokyo-Washington Panel Meeting on Bases Slated for 21, 22 Mar

OW0703140496 Tokyo KYODO in English
1330 GMT 7 Mar 96

[FBIS Transcribed Text] Tokyo, March 7 KYODO — A special Japan-U.S. Action Committee will hold its second meeting in Washington on March 21 and 22 to seek specific measures to consolidate, realign and reduce U.S. bases in Okinawa, ruling coalition members said Thursday [7 March].

Participants in the meeting will follow progress made in previous working-level negotiations, including an agreement to conclude a bilateral pact to reduce noise from U.S. bases in Okinawa, the members said.

The committee, set up last November to find ways within a year to scale down the U.S. military presence in the southwestern Japanese prefecture, is expected to hold its third meeting shortly before U.S. President Bill Clinton's visit to Japan on April 16-18, the members said.

Okinawa makes up only 0.6 percent of Japan's total land area but hosts about 75 percent of U.S. military facilities in Japan in terms of land space. Some 30,000 of the 47,000 U.S. troops in Japan are stationed in Okinawa.

Japan: Mission Briefs Okinawa Officials on U.S. Trip

OW0703233796 Naha OKINAWA TIMES in Japanese
6 Mar 96 Morning Edition p 2

[FBIS Translated Text] Tokyo — The ruling coalition's project team on Okinawa base issues (led by Taro Nakayama) on 5 March at the lower house Dietmen's Hall briefed Okinawa prefectural government officials, including Deputy Governor Masanori Yoshimoto, on their U.S. visit. During their visit, ruling party representatives, including Chairman Nakayama, held consultations with Secretary of Defense William Perry and other top U.S. Government officials on several occasions. During these meetings, the team brought up Okinawa Governor Masahide Ota's strong request that "the framework of a 47,000-strong U.S. military force in Japan should not be made explicit" at the Japan-U.S. summit talks because of fears this will lead to U.S. military bases staying on Okinawa permanently.

It is reported on this issue, however, that the U.S. side has stressed: "We would like to state that the framework of 47,000-military strength will be maintained, and clearly indicate that we have no plans to change the framework of our military strength."

They added that it was because tension existed between China and Taiwan and the situation in North Korea

remained unstable, and also because the United States intended to protect its interests in the Asia-Pacific region.

They also promised that Secretary of Defense Perry will visit Japan to discuss individual issues prior to the Japan-U.S. summit talks, and "will make efforts to settle issues that have been discussed at the Special Action Committee on Okinawa Base Issues (SACO)." Among the 14 issues now under discussion among SACO are: the transfer of the live-fire exercise training field across prefectural highway Route 104 and the limitation of night flights at Kadena and Futenma air bases.

At the briefing, Deputy Governor Yoshimoto and other officials simply listened to the report. However, on the issue of the base return project (known as the Action Program), which has been worked out by Okinawa Prefecture, Yoshimoto called on the project team "to give their overall support so that bases will not be returned partially during the first stage of the program, part of which is a request for the complete return of the Marine Corps Air Station Futenma."

Japan: Government Urged To Work Out Base Return Plan

OW0803080696 Naha OKINAWA TIMES in Japanese
6 Mar 96 Morning Edition p 1

[FBIS Translated Text] Tokyo — On 5 March, the fourth working-level meeting of the Okinawa Base Issue Committee, a consultative body between the central and Okinawa prefectural governments, was held at the Prime Minister's Office. Briefing the prefectural office on the developments of Japan-U.S. talks on noise pollution and other issues related to the improvements of Status of Forces Agreement [SOFA] implementation, the central government pledged an "early conclusion" of the talks. However, it did not specify U.S. bases subject to realignment, consolidation, and reduction but merely agreed to hold a meeting between Okinawa Governor Masahide Ota and Chief Cabinet Secretary Seiroku Kajiyama in mid-March. Meanwhile, the prefectural office strongly demanded that the central government work out a plan for the return of U.S. bases based on Okinawa's base return action program. It then said: "We expect the government will propose something tangible at the Ota-Kajiyama meeting."

The central government did not specify U.S. military facilities in Okinawa subject to realignment, consolidation, and reduction, claiming: "No formal proposal has yet to be made by the United States." Meanwhile, Okinawa Vice Governor Masanori Yoshimoto gave an additional briefing on Okinawa's base return action program and urged the central government to negotiate with the

United States on the return of all U.S. military installations included in the phase one list of bases demanded for return.

Although the central government reported progress in Japan-U.S. SOFA talks following the settlement of the issue on U.S. military vehicle numbers, it did not say when the talks would be concluded. The government also noted that the issues of concluding a noise prevention accord and relocating the Navy ramp at Kadena Air Base had been dealt with simultaneously. Complaining that the contents of the noise accord has not been disclosed, the prefectural office demanded that "a meeting will be set up with concerned municipalities before concluding the agreement."

Although Okinawa initially proposed that a meeting between Ota and Kajiyama be held in mid-February, the proposal was declined because of Kajiyama's tight Diet schedule.

At a news conference after the meeting, Vice Governor Yoshimoto said: "We cannot give high appraisal to what the government proposed today." He also expressed dissatisfaction with the fact that information on Japan-U.S. talks on the return of U.S. bases was not available from the central government but only from news reports.

At the meeting, the central government also reported the start of Japan-U.S. discussions on issues concerning red mud flow and the disclosure of minutes of Japan-U.S. Joint Committee meetings, while the prefectural office requested to take appropriate measures to deal with the environmental disruption resulting from live-fire training exercises across prefectural highway 104 while comparing the exercises with those in Hawaii.

Japan: Okinawa Officials Interviewed on Bases Issue Talks

OW0803082296 Naha RYUKYU SHIMPO
in Japanese 6 Mar 96 Morning Edition p 2

[FBIS Translated Text] Tokyo — Masanori Yoshimoto, vice governor, and Choko Takayama, policy coordinator of Okinawa Prefecture, held a news conference at the prefecture's Tokyo office in the early evening of 5 March after attending the fourth meeting of the secretariat of the Tokyo-Okinawa committee on U.S. military bases in Okinawa.

On the noise prevention agreement, the two officials said: "Discussion with the local governments is necessary before the accord can be concluded. The agreement cannot be signed without this procedure." They indicated their apprehension that the Japanese and U.S. Governments may go ahead and make decisions on the substance of the accord. The following is a summary of

the questions and answers exchanged at the news conference:

[Question] Looking back at the secretariat's meeting, what are the positive points you found about the meeting?

[Answer] So far, we have not seen anything positive. We understand that the working group of the Special Action Committee is engaged in active discussions, but we still cannot see where it is leading.

[Question] What impression do you have of the discussions [of the national government] with the U.S. side so far?

[Answer] None of the main issues in the action program for the return of bases have come up for discussion yet. There were several statements about the three pending issues 'not going well.'

[Question] It was stated at the Diet that the action program will not be included in the agenda for the Japan-U.S. summit talks.

[Answer] The political authorities are seriously mistaken. They think that withdrawing all U.S. bases by the year 2015 will mean a negation of the security alliance. We asked them to emphasize the first stage. We hope they will not merely pick some items included in the first phase of the program; we want a complete schedule for the return of all facilities.

[Question] How is the prospect for concluding a noise prevention accord?

[Answer] Something similar to the Yokota and Atsugi bases will not do. It would be best to compare it with Okinawa's proposal and to discuss it with us.

[Question] Will improvement in the implementation of the Status of Forces Agreement be sufficient?

[Answer] They have not reached a conclusion that it will only be operational improvement. We will not be able to tell without looking at the full contents.

Japan: U.S. Soldiers Comment on Sentences in Rape Case

OW0703141296 Tokyo KYODO in English
1305 GMT 7 Mar 96

[FBIS Transcribed Text] Naha, Japan, March 7 KYODO — Many U.S. soldiers stationed in Okinawa said Thursday [7 March] they did not think the sentences given to three U.S. servicemen for raping a 12-year-old Okinawa schoolgirl were harsh enough.

Earlier in the day, the Naha District Court sentenced Navy Seaman Marcus Gill, 23, and Marine PFC. Rodrico Harp, 22, each to seven years in prison, while Marine PFC. Kendrick Ledet, 21, received six and a half years for the abduction and rape Sept. 4 last year of the primary schoolgirl.

A 24-year-old soldier at the Kadena Air Base said he thinks the sentences are too lenient.

He said that if the victim were his daughter, he would not be satisfied at all, even if the servicemen received the 10-year sentences sought by the prosecution.

If the trial were held in the United States, the servicemen would receive longer prison terms, he added.

A 31-year-old woman whose husband is an Air Force soldier said the prison terms are too short and they will not pacify the anger of Okinawa people.

A 33-year-old Air Force Serviceman said the sentences are not severe, but that he does not feel the large protest movement in Okinawa against the U.S. forces is justified on the strength of the single rape case.

Meanwhile, Sanae Ishiki, 17, a high school student in Naha, said she would be never satisfied with any sentence if she were the victim.

"The government is not responding strongly to Okinawa's wishes, for the withdrawal of the U.S. bases. I even feel the government may abandon us," she said.

Tetsuei Tamayose, 62, head of a local organization for children, said similar incidents will continue as long as the U.S. bases are in Okinawa.

Japan: Editorial Views Okinawa Bases, U.S. Defense Policy

*OW0803142496 Naha OKINAWA TIMES in Japanese
6 Mar 96 Morning Edition p 5*

[Editorial: "Military Bases on Okinawa and the U.S. Defense Budget"]

[FBIS Translated Text] Prime Minister Ryutaro Hashimoto returned from his recent visit to the United States and took great care to bring back with him comments by U.S. President Bill Clinton, who said: "We would like to give due consideration to the feelings of the Okinawan people, and we will remain flexible." We wonder whether this will put even a small mark in the huge U.S. national budget. We all recognize the attitude taken so far by the Japanese and U.S. Governments [in regard to Okinawa base issues] and realize that we should not hold any expectations at all. Nevertheless, we wish there might be the slightest indication that military bases will be reduced.

According to the draft FY97 defense budget announced by U.S. Defense Secretary William Perry on 4 March, there is no chance that the U.S. Marine Corps [USMC] [stationed on Okinawa] will be reduced.

The USMC, including the 3d Marine Division, which is stationed on Okinawa, will continue to maintain its current troop level. Three divisions will be in active service, while one division will remain in reserve status. The current troop level of 174,000 soldiers will also be maintained in FY97. This figure will remain unaffected even by troop reduction plans that set ultimate target goals. Thus, U.S. Forces Japan [USFJ] does not have any plans to reduce the USMC for the time being.

The defense budget, as a whole, will be cut back by a sizable 5.6 percent. This is in line with the policy to cut defense spending which the U.S. Government has adopted ever since the administration of former U.S. President George Bush, following the collapse of the Cold War structure. The current total military strength of 1.482 million troops will be cut back by 25,000. Streamlining of the military will continue with total troop level also reduced by the same amount in FY98. Eventually, total military strength is to be reduced to 1.418 million troops.

Plans also call for promoting realignment and reduction of military facilities in the United States, and a total of 97 such facilities are to be closed down between FY1996 and FY2001.

There will be no more defense spending cuts after the FY97 budget is approved, and the defense budget will increase from FY98. The procurement of weapons has been on the decrease but will now begin to increase in line with plans to modernize the military.

Around this time last year, the U.S. Department of Defense [DOD] submitted its "Report on East Asian Strategy" to Congress. The report was aimed at using the situation in East Asia to prevent further reduction of military strength which began after the end of the Cold War. It may be said this was the initial source of intense antimilitary base sentiments that began mounting last September.

U.S. troops stationed in East Asia numbered 135,000 in 1990. In 1994, the figure was down to 100,000. This led the Okinawan people to expect reduction of military bases on Okinawa through further troop cuts. However, the DOD, in its latest report, drastically reviewed its 1990 report entitled "A Strategic Framework in View of the 21st Century" and the revised 1992 version and disclosed plans to maintain 100,000 troops for forward deployment, primarily consisting of USFJ and U.S. Forces, ROK.

Military threat from the DPRK was cited as the reason for revising the troop reduction policy. The Okinawan people became further disillusioned due to fears that U.S. military bases would become permanently established on Okinawa and their planned realignment and reduction would be delayed.

Despite the lack of basic, domestic debate on the issue, former Prime Minister Tomiichi Murayama was ready to agree at a summit meeting scheduled for last November to drastically review the Japanese-U.S. security arrangement for East Asia and the Pacific region and forge a new bilateral military alliance.

It is a sad truth that an unfortunate incident in which a young girl became victim [of rape by U.S. servicemen] enabled Okinawa Governor Masahide Ota to lodge a protest [in connection with the issue of proxy-signing to force reluctant landowners to extend lease contracts on land for use by U.S. forces].

The USMC will not cut back on its troops. However, we find it hard to believe that the Japanese Government will be bearing the costs of relocating troops from Okinawa to elsewhere in Japan. We wonder why it is necessary to maintain 100,000 troops in East Asia and why 47,000 of them have to be stationed in Japan. The United States has no intention to change its strategy. The Republican Party keeps pressing the President to reinforce national defense. On the other hand, it is so pathetic that the Japanese Government cannot speak up against the fact that the USMC will remain untouched.

Japan: Hashimoto Reportedly Asks 'Extensive' UN Reform

*OW0803124696 Tokyo ASAHI SHIMBUN
in Japanese 7 Mar 96 Morning Edition p 7*

[FBIS Translated Text] On 6 March, Diogo Freitas do Amaral, president of the United Nations General Assembly, met with Prime Minister Ryutaro Hashimoto at the Prime Minister's Official Residence. During the meeting the president said: "I believe Japan can not only make contributions to peacekeeping operations, humanitarian aid, and UN budgets, but it also can act as intermediary between developed and developing countries, between Western Europe and Asia, and play a major role in reforming the United Nations." Meanwhile, Hashimoto said: "I hope efforts will be made to achieve not only financial reform, but also other reforms for reorganizing the world body." By that statement, he was calling for extensive UN reform, including realignment of the UN Security Council.

Japan: GSDF Chief of Staff Ends Visit to Golan Heights

*OW0803153996 Tokyo KYODO in English
1158 GMT 8 Mar 96*

[FBIS Transcribed Text] Jerusalem, March 8 KYODO — The chief of staff of Japan's Ground Self-Defense Force [GSDF], Gen. Nobutoshi Watanabe, left for Japan Friday [8 March] after finishing a four-day visit to Japanese peacekeepers assigned to the Israeli-held Golan Heights.

A total of 45 Japanese Self-Defense Forces members assumed transport duties for the UN Disengagement Observer Force (UNDOF) from Canadian troops last month.

Japan: Official on Quadrilateral Trade Minister Talks in Apr

*OW0803081196 Tokyo YOMIURI SHIMBUN
in Japanese 7 Mar 96 Morning Edition p 7*

[FBIS Translated Text] The quadrilateral trade minister conference will open in Kobe on 20 April. On 6 March, a top official of the Ministry of International Trade and Industry indicated his view that at the conference the discussion will focus on maintaining and strengthening the free trade system under the leadership of the World Trade Organization (WTO) to pave the way for the first WTO ministerial conference to be held in Singapore at the end of this year.

Among the concrete issues likely to be brought up at the conference are: a review of the current situation of enforcement of the agreement reached at the Uruguay Round (multilateral trade negotiations); promotion of liberalization and facilitation of trade and investment; creation of harmony between trade and the environment; and discussion of the issue of China's admission into the WTO.

Japan: Ministerial Talks with Russia Scheduled for 20 Mar

*OW0803081096 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 8 Mar 96 Morning Edition p 2*

[FBIS Translated Text] It seems likely that Japan-Russia foreign ministerial talks will be held in Moscow on 20 March. This was disclosed by a Foreign Ministry source on 7 March. Foreign Minister Yukihiko Ikeda is expected to leave Haneda for Russia for talks with his counterpart, Foreign Minister Yevgeniy Primakov, by a chartered plane either on the evening of 19 March or the early morning of 20 March.

Tokyo Icebreaker Helps Russian Boat in Moscow Waters

OW0803035596 Tokyo KYODO in English
0142 GMT 8 Mar 96

[FBIS Transcribed Text] Sapporo, March 8 KYODO —
- A Japanese Maritime Safety Agency icebreaker made a rare trip into Russian-claimed waters off Hokkaido in the early hours of Friday morning [8 March] to help a Russian fishing vessel trapped in drift ice, agency officials said.

The officials said the 310-ton Shumshu 107 is trapped about 15 kilometers off the Notsuke peninsula in eastern Hokkaido in waters near K. ishiri island.

The island is one of a group of four Russian-held islands to the northeast of Hokkaido seized by the former Soviet Union at the end of World War II but still claimed by Japan.

The officials said the Russian boat radioed the agency's base in Rausu for help at 12:10 A.M. and the agency dispatched its icebreaker Teshio. The rescue operation is still under way.

A rescue operation inside Russian-claimed waters is highly unusual, they said.

Packs of drift ice in the area are 1 meter thick.

Tokyo, EU Economic Meeting Slated in Brussels 29 Apr

OW0703043196 Tokyo KYODO in English
2357 GMT 6 Mar 96

[FBIS Transcribed Text] Brussels, March 7 KYODO — Japan and the European Union (EU) will hold a ministerial meeting in Brussels on April 29 to discuss Japan's deregulatory moves and other economic issues, EU sources said Wednesday [7 March].

Japanese Foreign Minister Yukihiko Ikeda, EU Trade Commissioner Leon Brittan and other officials will attend the meeting, the sources said.

The meeting will exchange views on economic deregulation and measures for facilitating investment as the EU is worrying about a slowdown in deregulation under the administration of Prime Minister Ryutaro Hashimoto, they said.

It is also expected to discuss the Japan-Europe economic exchanges decided on at the inaugural Asia-Europe Meeting (ASEM) held in Bangkok last week and preparations for a ministerial meeting of the World Trade Organization (WTO) slated for this December in Singapore, they said.

Japan: ANA's Tokyo-Paris Route Slated To Open 31 Mar

OW0703052896 Tokyo KYODO in English
0433 GMT 7 Mar 96

[FBIS Transcribed Text] Tokyo, March 7 KYODO —
- All Nippon Airways (ANA) will inaugurate flight service on the Tokyo-Vienna-Paris route March 31, Transport Ministry officials said Thursday [7 March].

ANA, Japan's No. 2 airline, currently operates three round-trip flights a week between Vienna and Tokyo, jointly with Austrian Airlines, using the latter's aircraft.

Of the three round-trip flights, ANA will switch one to its own aircraft for the Tokyo-Vienna-Paris route, the officials said.

The Transport Ministry on Thursday approved ANA's application to extend service beyond Vienna to Paris after the transport council, an advisory body to the transport minister, endorsed it.

Japan: 'Firm' Framework Eyed for APEC Finance Ministers Talks

OW0703141796 Tokyo KYODO in English
1156 GMT 7 Mar 96

[FBIS Transcribed Text] Tokyo, March 7 KYODO — The Asia-Pacific Economic Cooperation (APEC) forum is seeking to build a firmer framework for the management of APEC finance ministers' talks, international monetary sources said Thursday [7 March].

The idea will be discussed at a meeting of APEC finance ministers in Kyoto on March 16-17, the sources said.

APEC members want to establish a follow-up system whereby results of debate at annual meetings of APEC finance ministers can be smoothly carried over into the next meeting, the sources said.

To facilitate greater communication, each of the 18 APEC members would be linked up through the global information web Internet, they said.

In a meeting in Seattle in November 1993, the leaders of APEC members agreed to hold annual finance ministerial talks to deal with a wide range of regional economic issues, including macroeconomic conditions and capital flows.

The upcoming Kyoto meeting is the third of its kind. The previous two meetings were held in Honolulu, Hawaii, in March 1994 and in Bali, Indonesia, in April 1995.

The sources also said Michel Camdessus, managing director of the International Monetary Fund (IMF), will

attend the Kyoto meeting, becoming the first IMF chief to participate in APEC finance ministerial talks.

Camdessus will report the economic situation of each APEC member economy as a basis for debate at the Kyoto meeting, they said.

The 18 APEC members include the United States, Canada, Chile, China, South Korea, Japan and such Southeast Asian nations as Singapore and Thailand.

From the U.S., Treasury Secretary Robert Rubin will attend the meeting and hold talks with Japanese Finance Minister Wataru Kubo on March 16 if their schedules allow, the sources said.

**Japan: ASEAN Agreed on Forum on Internet
'Negative Elements'**

*OW0703140596 Tokyo KYODO in English
1332 GMT 7 Mar 96*

[FBIS Transcribed Text] Singapore, March 7 KYODO — Information ministers from the Association of Southeast Asian Nations (ASEAN) agreed Thursday [7 March] to set up a forum for ASEAN nations to consult each other on trying to prevent an influx of pornography and other "negative elements" from abroad through the Internet.

The ministers said in a joint statement at the end of a one-day meeting in Singapore that they have also agreed to set up an ASEAN satellite television channel to promote programs from an "Asian angle" and expand the ASEAN home page on the Internet to include more information about ASEAN countries.

The decisions underscore concern among ASEAN governments about what they claim is an invasion of information from America and Europe which is morally objectionable or politically subversive from an Asian viewpoint amid an "over-rapid advance" in information technology.

At the same time, ASEAN wants to take advantage of the new technologies to promote so-called "Asian values" in the region and the rest of the world.

"A balance must be struck between free access to information and the need to maintain the values of society," Singaporean Prime Minister Goh Chok Tong said when he opened the ministerial meeting, which is held once every three years.

The forum to discuss ways to deal with the Internet and other advances in information technology will comprise both government officials and experts. The first meeting is expected to be held in Singapore sometime this year.

All the ASEAN information ministers had expressed concern about "information contamination" through the

Internet and agreed on the necessity to introduce some kind of regulation in their respective countries.

The forum will enable ASEAN countries to learn from each other's experience, particularly from Singapore, which has been promoting information technology extensively in the country and recently introduced a regulation requiring all Internet service operators to obtain a license from the government, and for political and religious groups to register with the government in order to run their Internet web sites.

On the ASEAN satellite television channel, the ministers agreed that a group of ASEAN technical experts will meet in Malaysia sometime this year to discuss details on setting up the channel.

Officials said the ministers aim to launch the channel within two years.

They also said the ministers agreed to have an informal meeting among themselves whenever necessary in between their regular conference once every three years so as to keep pace with the advances in information technology.

**Japan: Government Urged To Act Against PRC
Missile Test**

*OW0803145496 Tokyo KYODO in English
1432 GMT 8 Mar 96*

[FBIS Transcribed Text] Naha, Japan, March 8 KYODO — The governor of Okinawa prefecture in southwestern Japan urged the central government Friday [8 March] to take "appropriate" action against China over missile exercises begun earlier in the day.

One ocean target area off northern Taiwan where one of the missiles fired by China hit "is just a little more than 60 kilometers from Yonaguni Island in the westernmost part of the prefecture," Gov. Masahide Ota said in a statement.

"We urge (the government) to take appropriate measures toward the Chinese Government, depending on developments," he added in the statement, presented to the Foreign Ministry.

Okinawan fishermen and other people are worried because of the rising tension between Beijing and Taipei, Ota added.

Japan: PRC Military Exercises Concern Fishermen
*OW0703233896 Naha OKINAWA TIMES in Japanese
6 Mar 96 Morning Edition p 19*

[FBIS Translated Text] The Chinese Liberation Army [PLA] has announced that it will conduct missile

launching exercises in the East China Sea off Taiwan beginning 8 March. As a result, fishermen from Yonaguni Island, located near the exercise area, are sharing growing apprehension. Since the year before last, Taiwanese forces have been conducting firing practice in the waters off Yonaguni every month. Despite Japan's request for a suspension of such exercises, no settlement has been reached. Since China has indicated to Taiwan that "it has not given up the use of armed force" and since the tension between China and Taiwan has intensified, there is growing apprehension among the residents of Yonaguni Island, which borders both China and Taiwan. Meanwhile, the Ministry of Foreign Affairs [MOFA] has reportedly indicated that no concrete measures will be taken for the time being since an investigation into the effect of the exercises on Japanese fishermen is currently in progress. On 5 March, the Maritime Safety Agency issued a radio warning against navigation in the exercise area.

According to the prefectural government's Fishery Administration Division, there will be no direct effect since the area where the upcoming exercises will be conducted is not a fishing ground for Japanese fishermen.

Taiwan's exercise area is located south of China's exercise area (about 30 kilometers west of Yonaguni Island). Taiwan has conducted firing practice in this area since July 1994, and no fishing boats are allowed in the area for ten days beginning on the 4th of the month almost every month. Since it is the area where the fishing ground of the Yonaguni Fishermen's Cooperative is located, the prefectural government, through MOFA, has asked Taiwan to suspend its exercises. A notification has been received for exercises to be conducted March 4-10.

A source at MOFA's China Division has indicated that the Japanese Government has no other information except the announcement made through XINHUA news agency. However, as far as MOFA is concerned, and viewed from the standpoint of regional peace and stability, the fact that a state of tension has been created is undesirable.

Yonaguni — Yoshikane Otruji, chairman of the Yonaguni Fishermen's Cooperative, has stated: "The sea area east of Keelung City where China plans to conduct its military exercise is not a fishing ground for Yonaguni fishermen. Yet, we cannot rid ourselves of our apprehension. Since no settlement has been reached on Taiwan's firing practices in the fishing ground, losses due to a drop in our catch are expected to reach 20-30 million yen. We are seriously concerned about the growing tension between China and Taiwan."

As recently as 29 February, Mayor Seizo Irinaka of Yonaguni Township sent a request to Mayor Ching-sui Chen of Hualien city in Taiwan, a sister city to Yonaguni, to settle the issue, stressing: "fishermen are terror-stricken by the firing practice." Concerning China's upcoming military exercises, Mayor Irinaka stated: "There has been no confirmation of where the exercise area will be; however, if the livelihood of our residents is affected by the exercises, we hope the issue can be settled through MOFA. The growing international tension in an area so close to this small island is more than we can bear."

Japan: Editorial Asks PRC To Exercise Self-Restraint on Taiwan

OW0803113596 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 6 Mar 96 Morning Edition p 2

[Editorial: "China Should Exercise Self-Restraint on Taiwan"]

[FBIS Translated Text] Chinese Premier Li Peng gave a government work report at the beginning of the National People's Congress which opened on 5 March. In the report, he said: "We are not committed to abandon the use of military force (against Taiwan)," showing a tough attitude against moves favoring Taiwan's independence.

On the same day, the People's Liberation Army announced its missile launching exercises in two sea areas close to Taiwan in the East China Sea and South China Sea from 8 to 15 March. It is now certain that tension across the Taiwan Strait will further heighten in the run up to the presidential election in Taiwan on 23 March.

The portion on the Taiwan issue in Li Peng's report consistently adopts a hardline position which discounts all possibilities of a compromise. While he did not name names, he referred to the efforts by President Li Teng-hui and other Taiwanese leaders — using the term "some leaders of the Taiwan authorities" — to create "two Chinas" or "one China and one Taiwan," and to realize "Taiwan's independence," in an attempt to warn against such moves.

China is particularly sensitive about interference by foreign forces. The report's passages on relations with the United States were evidently negative. It says that the relationship "has faced grave difficulties," and that "the Taiwan problem has always been the most sensitive, and the most important issue."

China's forthcoming missile exercises near Taiwan will be held for the third time, after the first and second rounds were held in July and August 1995. The exercise sites are close to Keelung and Kaohsiung, which are important trading ports, and may also affect sea vessels'

navigation. This seems to also serve the purpose of an "economic blockade."

Some Western analysts tend to underestimate the PRC air force's capability. For example, their assessment is that "although" the Chinese air force "possesses a large number of fighters, they are mostly outdated, and it will be quite impossible to seize control of the airspace over the Taiwan Strait."

However, reading Li Peng's report, it seems that the modernization of the PRC's defense capability has unmistakably gone a long way. The transition from the former "people's war" strategy premised on guerrilla warfare to a conventional military force has basically been completed. Modernization of the fighters is also being accelerated by imports from Russia.

In our editorial of 24 January, we asked China to act rationally. We think the Taiwan problem should be resolved through dialogue. Applying military pressure on Taiwan will only make a solution more difficult. Once again, we ask China to exercise self-restraint.

Japan: Editorial Views PRC's Missile Exercises

*OW0803121496 Tokyo MAINICHI SHIMBUN
in Japanese 7 March 96 Morning Edition p 5*

[FBIS Translated Text] China has announced that it will conduct missile exercises beginning 8 March in the East China Sea and the South China Sea near Taiwan. The missiles' trajectory will be like a pincer attack converging on Taiwan from the north and south. A Chinese Foreign Ministry spokesman said that it is "routine training" and has nothing to do with Taiwan's first presidential election slated for 23 March. We are not so sure, however, whether the spokesman even believes such an explanation. Other countries agree that the missile exercises are aimed at putting military pressure on Taiwan so that President Li Teng-hui, whose reelection is virtually assured, will not win more than 50 percent of the vote.

Late last month when the presidential election campaign officially kicked off, we warned China by pointing out that it was foolish to use military exercises to put pressure on Taiwan's presidential election. There is no better way of describing our feelings except to say that China's announcement is indeed regrettable.

The missile exercises will only exacerbate Taiwanese voter's animosity toward China and impede Beijing's goal of peaceful unification. Moreover, it is highly possible that the exercises may help President Li gain even more votes. Even if President fails to secure 50 percent of the vote as China expects, he could still contend that "he would have won more if there was

no missile exercise." Either way, it is President Li that stands to gain.

The blunt pressure of using missiles will only fuel the increasingly frequent discussions of the China threat among its neighbors. It will also do further damage to China's international image. China will lose far more than it will gain from the missile exercises. The Chinese leadership should quickly realize the pros and cons of the exercises.

It seems that another goal of the missile exercises is to send a strong message before President Li's reelection that Taiwan's independence will never be tolerated. The fact that the announcement was made on the opening day of this year's session of the National People's Congress [NPC], which is a gigantic national assembly held once a year, shows its strong determination.

In his report before the NPC, Premier Li Peng accused "certain leaders in Taiwan of plotting independence by creating 'two Chinas,' or 'one China, one Taiwan.'" He also warned that support from "foreign powers" for Taiwan's independence constitutes intervention in China's internal affairs and will be opposed by force if necessary.

We object to China's missile exercise plan as it intensifies the tension across the Taiwan Strait and can accidentally trigger a military clash. At the same time, we once again urge President Li, whose reelection is certain, to clarify during the campaign his future policy toward China and foreign policy in general. That is a legitimate call from neighboring countries because the Taiwan president's actions after the elections could put us in danger.

President Li's practical diplomatic goal is to become a member of the United Nations jointly with China, but that is impossible because of China's veto. His bid, if realized, implies nothing less than independence. President Li also aims to attend international meetings side by side with Chinese leaders. If that were to happen, it would mean China and the international community recognized Taiwan as an independent country. In other words, it means that they need to approve Taiwan's independence.

Singapore's Lee Kuan Yew, who has connections with both China and Taiwan, maintains that President Li, if his "ultimate goal is unification," should live up to his declaration and give up the quest for UN membership. Lee also urges the latter to begin negotiations with China toward developing arrangements for a mutual ban on the use of force and for unification based on the "one China" principle. Now is the time for the parties

concerned to use sense to prevent escalation of the tensions in the Taiwan Strait.

Japan: ROK Consulate General Staffer, Riot Police Scuffle

OW0803114196 Tokyo KYODO in English
1116 GMT 8 Mar 96

[FBIS Transcribed Text] Fukuoka, March 8 KYODO — A South Korean Consulate General staffer and four Japanese riot police officers were injured in a midnight scuffle on the streets of Fukuoka last month, police said Friday [8 March].

The scuffle began with an argument between a 23-year-old riot police officer and a 24-year-old staffer of the South Korean Consulate General in Fukuoka, southwestern Japan, at 12:45 A.M. Feb. 24, police said.

The police officer was walking out of a bar, where he drank with seven colleagues, and the South Korean staffer was making a phone call on his portable phone in front of the bar.

An argument ensued, leading to a fight between the two. Other riot police members and the South Korean's acquaintances joined the melee, police said.

The scuffle continued until a police car arrived at the scene about 15 minutes later, they said.

"Most of the riot police members did not create the fight, but tried to stop it," a supervisor at a local police force said. "However, there is no doubt about the fact that they caused trouble."

He apologized for the trouble caused by the riot police officers and said they will be given stiff punishments.

Some people involved in the fistcuffs had injuries that required a week of medical care, police said.

Japan: Tokyo Offers Medical Aid to Burma

OW0803081396 Tokyo KYODO in English
0734 GMT 8 Mar 96

[FBIS Transcribed Text] Yangon [Rangoon], March 8 KYODO — Japan has offered about 38,000 dollars in a grant-in-aid to the Myanmar [Burma] Government to buy ambulances, medical equipment and medicines, the Japanese Embassy said Friday [8 March].

Documents on the Japanese Government grant were signed in Yangon the same day by Japanese Ambassador Yoichi Yamaguchi and Kyu Kyu Swe, chairman of the Women's and Children's Welfare Association.

Tokyo Offers 848 Million Yen Grant-in-Aid to Mongolia

OW0803054696 Tokyo KYODO in English
0451 GMT 8 Mar 96

[FBIS Transcribed Text] Tokyo, March 8 KYODO — Japan has extended a grant-in-aid of up to 848 million yen to Mongolia to help finance a project to improve the public transportation system in its capital of Ulaanbaatar, the Foreign Ministry said Friday [8 March].

Mongolian Trade and Industry Minister Tsebegmidiyn Tsogt and Japanese Ambassador to Mongolia Yoshihiro Hasumi exchanged notes on the grant in the Mongolian capital the same day, the ministry said.

The sum will be used to buy new buses — a popular means of transportation in the city — to ease overcrowdedness in the existing buses, it said.

Japan: Kubo Seeking Early Diet Approval of New Budget

OW0803035396 Tokyo KYODO in English
0200 GMT 8 Mar 96

[FBIS Transcribed Text] Tokyo, March 8 KYODO — Finance Minister Wataru Kubo said Friday [8 March] he still hopes for the fiscal 1996 budget plan to be approved at the Diet at an early date without having to compile a stopgap budget.

"The government should attempt to pass the budget plan through the Diet before the fiscal year starts (in April) so that it will not need to compile a provisional budget," Kubo said at a press conference.

"Through the early Diet approval of the fiscal 1996 budget plan, the government should meet the goal of underpinning Japan's economic recovery," he said.

The budget plan includes the use of 685 billion yen from the government's general account to help cover losses stemming from the liquidation of seven mortgage companies which are now virtually bankrupt due to huge problem loans.

Diet debate on the budget plan has been stalled due to confrontation between the ruling coalition and opposition parties over the introduction of the 685 billion yen to be used for the liquidation scheme.

Commenting on financial institutions shifting their funds from ordinary deposits to certificates of deposit, which are not covered by the nation's deposit insurance system, Kubo said he will closely watch these moves and investigate them if necessary.

The ministry has decided to raise premium rates for Deposit Insurance Corp. seven-fold from the current level amid a series of failures of credit cooperatives.

Critics say financial institutions are trying to reduce premium costs by shifting funds to accounts which are not covered by the deposit insurance system.

Japan: Kajiya Says Budget Delay May 'Badly Affect' Economy

OW0703044796 Tokyo KYODO in English
0306 GMT 7 Mar 96

[FBIS Transcribed Text] Tokyo, March 7 KYODO — The government hopes its fiscal 1996 budget clears the Diet by the end of the current fiscal year March 31 because a delay in its parliamentary passage may badly affect the Japanese economy, the top government spokesman said Thursday [7 March].

The Japanese economy is slowly recovering but it could go bad at the slightest provocation, Chief Cabinet Secretary Seiroku Kajiya told a press conference, referring to the fact that Tokyo stock prices dropped below the 20,000-yen level at one time Thursday.

Kajiya urged the business community to handle the situation with composure with hopes of an early Diet passage of the 75.1 trillion yen budget.

The Diet passage has been delayed as the House of Representatives budget committee has been unable to convene a session to vote on the budget.

The main opposition Shinshinto (New Frontier Party) has blocked the budget panel chamber for four days, demanding the removal from the budget of a 685 billion yen expenditure of taxpayers' money to help liquidate seven failed housing loan companies, known as "jusen."

Japan: EPA Official: Budget Delay May 'Adversely Affect' Economy

OW0803125196 Tokyo KYODO in English
1012 GMT 8 Mar 96

[FBIS Transcribed Text] Tokyo, March 8 KYODO — A senior official of the Economic Planning Agency (EPA) said Friday [8 March] he is concerned that a delay in Diet approval of the fiscal 1996 budget could adversely affect the Japanese economy, which is now moving toward recovery.

"If public investment does not proceed smoothly, it will have adverse effects," EPA Vice Minister Makoto Kobayashi said at a press conference.

Japan's budding economic recovery is now being paced by public and housing investment under a series of pump-priming measures adopted by the government.

There are growing concerns that these economic stimulus measures could run out of funding due to a delay in Diet approval of the budget for fiscal 1996, which starts in April.

To put the economy on a sustainable recovery path, it is necessary to shift the main engine of the economy from public-sector demand to private-sector demand, Kobayashi said.

The government is now compiling a stopgap budget as Diet debate on the fiscal 1996 budget has been stalled over a controversial provision to earmark 685 billion yen in taxpayers' money to help cover losses stemming from liquidating seven moribund housing loan firms.

Kobayashi said early Diet approval of the budget is also necessary to help restore overseas confidence in the Japanese economy.

The housing loan companies are at the center of a bad loan mess that touches almost all major Japanese financial institutions.

Japan: Diet Stalemate Over Budget Likely To Continue

OW0803064396 Tokyo KYODO in English
0520 GMT 8 Mar 96

[FBIS Transcribed Text] Tokyo, March 8 KYODO — The Diet stalemate over the government plan to liquidate seven failed housing loan companies by using taxpayers' money showed no signs of ending Friday [8 March], making it more likely that a stopgap budget will have to be introduced.

The Liberal Democratic Party (LDP), which forms the ruling coalition with the Social Democratic Party and New Party Sakigake [Harbinger], started considering a provisional budget as prospects dimmed for early passage of the budget through the House of Representatives, which incorporate the housing loan liquidation scheme.

The three ruling parties and the main opposition party Shinshinto (New Frontier Party) held meetings of their Diet affairs officials to break the impasse, but nothing came of them.

In trying to persuade Shinshinto to resume the panel discussions, the ruling coalition promised sufficient time for debates before putting the budget to a vote.

But Shinshinto, whose legislators have been physically blockading the lower house budget committee room since Monday, refused to budge an inch on its demands.

The party has said it will not agree to restart panel discussions on the fiscal 1996 budget until the 685

billion yen outlay for cleaning up the bad-loan mess of the housing loan firms, known as "jusen," is removed from the budget.

Shinshinto also demands Diet testimony from LDP Secretary General Koichi Kato as a condition for lifting the blockade. It wants Kato to testify on a 10 million yen donation he allegedly received from Kyowa Co., a now-defunct steel frame manufacturer which was a borrower from one of the failed housing loan firms.

The ruling coalition rejected the Shinshinto demand about Kato's testimony, saying the issue has already become a legal one as Shinshinto lawmakers Thursday filed a complaint with the prosecutors against Kato over the alleged donation and the prosecutors accepted the complaint.

Expectations are growing within the ruling coalition that lower house speaker Takako Doi, who Thursday urged both sides to reopen the Diet session, will make further efforts to help overcome the deadlock.

The LDP is tilting toward compiling a stopgap budget as the stalemate is bound to delay the passage of the budget, originally planned for this week, well into next week at the earliest.

Japan's fiscal year starts April 1.

Meanwhile, Shinshinto Secretary General Takashi Yonezawa criticized the government's additional proposals on the "jusen" issue, saying nothing short of the complete removal of the 685 billion yen outlay for the plan will soften the party's stance.

Japan: Farm Minister Hints at Possible Freeze on 'Jusen' Scheme

OW0803044396 Tokyo KYODO in English
0342 GMT 8 Mar 96

[FBIS Transcribed Text] Tokyo, March 8 KYODO — Farm minister Ichizo Ohara on Friday [8 March] hinted at a possible amendment of a government scheme to liquidate housing loan companies, known as "jusen," or a possible freezing of the budget for their planned liquidation.

"Diet policy committee members and the chief cabinet secretary have been making efforts to search for a settlement (on the issue). There are several choices," Ohara told a press conference after a cabinet meeting.

Ohara, however, added that agricultural financial institutions will not be able to shoulder a larger burden in liquidating the mortgage companies than has so far been decided, emphasizing that he will not agree to the increase in the burden if the government amends the scheme.

Ohara also said the required increase of 180 billion yen in tax payments by agricultural financial institutions is a "rough target," supporting their assertion that it is not their obligation.

Japan: Keidanren Head on Public Role in 'Jusen' Burden

OW0603152096 Tokyo KYODO in English
1312 GMT 6 Mar 96

[FBIS Transcribed Text] Hiroshima, March 6 KYODO — The head of Japan's most powerful business federation said Wednesday [6 March] the Japanese people should bear a portion of the burden to resolve the matter of seven bankrupt housing loan companies known as "jusen."

Shoichiro Toyoda, chairman of the Federation of Economic Organizations (Keidanren), told a news conference the mortgage-firm issue is a big problem involving all parties, including the people.

Toyoda, who is also chairman of Japan's top automaker Toyota Motor Corp., said, "the state is indebted, and all parties have to work hard to repay the debt," apparently referring to the administration, lenders, debtors and the people.

Toyoda said the additional burden required of founding banks under a new government resolution package is a target, not a mandate, and has nothing to do with the government's plan to use 685 billion yen in taxpayers' money to liquidate the bankrupt mortgage firms.

The government's package calls for both banks and farm-affiliated finance organizations which provided funds for the housing loan companies to carry out restructuring and cost-cutting measures to increase tax payments equivalent to the government's disbursement of public funds for the scheme.

Japan: Keidanren Chief Urging Early Passage of Budget

OW0703105996 Tokyo KYODO in English
0722 GMT 7 Mar 96

[FBIS Transcribed Text] Nagoya, March 7 KYODO — Shoichiro Toyoda, head of the Federation of Economic Organizations (Keidanren), called Thursday [7 March] for early passage of the fiscal 1996 budget, expressing concern that a delay would have negative effects on the economy.

"A delay would shake confidence in both the domestic and foreign markets and lead to such moves as an increase in the 'Japan premium'," Toyoda said, referring to extra charges levied on Japanese fund borrowers abroad.

On the spring wage negotiations, Toyoda indicated that his business organization will take a tough stance toward requests by the automobile industry unions for shorter working hours and a sharp hike in wages.

"The labor costs in Japan are higher than in Britain or in the United States. Considering that U.S. workers work longer hours, I wish the Japanese workers will stick with it too," he said at a press conference.

Japan: MOF Preparing for Deregulation of Forex Services

*OW0703115496 Tokyo KYODO in English
1036 GMT 7 Mar 96*

[FBIS Transcribed Text] Tokyo, March 7 KYODO — The Ministry of Finance (MOF) is ready to allow securities companies and other internationally active non-financial companies to be engaged in foreign currency exchange services, ministry sources said Thursday (7 March).

In a meeting of a ruling coalition task force, Eisuke Sakakibara, director general of the ministry's International Finance Bureau, expressed willingness to deregulate foreign exchange services, the sources said.

"It is necessary for Japan to make its foreign exchange system more open so it can match systems adopted in other industrialized nations," Sakakibara was quoted as saying.

Japan's current system for foreign exchange services will be reviewed substantially, Sakakibara said.

At present, foreign exchange services are admitted only for major commercial banks authorized by the ministry. Commissions for the services are a major revenue source for those banks.

As an increasing number of companies are advancing into overseas markets, however, there are growing calls for reviewing the system.

Japanese companies that are engaged in dollar-denominated imports and exports have to convert their dollar funds into yen through the authorized foreign exchange banks, paying them a large amount of commissions.

The Finance Ministry is now considering allowing net settlements of dollar-denominated import and export bills for lower conversion costs, the ministry sources said.

The ministry also plans to allow securities companies to be engaged in foreign exchange services for currency swap and options transactions they will make for investors who purchase foreign securities, the sources said.

Following debate in the council on foreign exchange and other transactions, a governmental advisory panel, the ministry is expected to announce a series of deregulation measures by the end of March, they said.

Japan: Firms Fined for Bid-Rigging of ODA Projects

*OW0703122896 Tokyo KYODO in English
1114 GMT 7 Mar 96*

[FBIS Transcribed Text] Tokyo, March 7 KYODO — The Fair Trade Commission (FTC) on Thursday (7 March) ordered five fishing net manufacturers to pay a total of 18.88 million yen in fines for bid-rigging of projects funded by Japan's official development assistance (ODA) program, FTC officials said.

The five companies are Nichimo Co., Hirabo Corp., Taito Seiko Co., all based in Tokyo, Momoi Fishing Net Mfg. Co. of Ako, Hyogo Prefecture, western Japan and Hakodate Seimo Sengu Co. of Hakodate, Hokkaido.

The FTC officials said the five companies violated the Antimonopoly Law from January 1989 to August 1994 by fixing which company would be awarded contracts to supply fishing nets and other such equipment to be provided to developing countries under Japan's ODA projects.

Japan: Cabinet Approves Pension for Former Public Corporations

*OW0803035696 Tokyo KYODO in English
0238 GMT 8 Mar 96*

[FBIS Transcribed Text] Tokyo, March 8 KYODO — The cabinet approved Friday (8 March) a bill to integrate the pension funds of Japan Railway (JR) group companies, Japan Tobacco Inc. (JT) and Nippon Telegraph and Telephone Corp. (NTT) with the employees pension insurance system, government officials said.

The three former public corporations retained their own mutual aid pension systems even after they were privatized.

The bill is designed as part of the gradual unification of public pension funds to save the pension funds of JR and JT from their current financial difficulties.

At the time of the unification in April 1997, the mutual aid pension funds of JR and JT will shift 1,210 billion yen and 110 billion yen, respectively, to the employees pension insurance system.

The money will fund pension payments that were confirmed during the period when the two companies' pensions were independent.

The cabinet also approved a pension system integration policy to replace the government's previous failed plan to integrate the public pensions in 1995.

The policy outline also calls for considering steps to stabilize financial conditions for the mutual aid pensions of central and local government employees.

Also endorsed by the cabinet is a related bill to expand the fund management operations for both the employees pension insurance system and the national annuity.

Currently, the fund management of the two pension systems are handled exclusively by life insurance companies and trust banks.

North Korea

DPRK: U.S.-ROK Joint Exercises 'Against' North Noted

SK0803031496 *Pyongyang KCNA in English*
0246 GMT 8 Mar 96

[FBIS Transcribed Text] Pyongyang, March 8 (KCNA) — The U.S. imperialist warmongers and the South Korean puppets staged a provocative joint aerial war game against the North in the skies above Anmyon Islet, Tokjok Islet and Samchok area on March 5 and 6, according to military sources.

Involved in the war game were various types of planes from overseas bases, over 810 fighter planes and reconnaissance planes belonging to the U.S. Air Force in South Korea and the puppet Air Force.

Large transport planes such as "C-5" fully loaded with lethal weapons continuously flew to bases of the U.S. Air Force in South Korea from U.S. bases in the Pacific area to fan up a war atmosphere during the period.

Scores of fighter planes of the puppet air force staged a drill of aerial strike in support of the ground attack units.

All these frantic war rackets are premeditated moves of the U.S. warmongers and the Kim Yong-sam group to crush the DPRK with strength.

DPRK: ROK Group Planning To File Suit Against U.S.

SK0703033896 *Pyongyang KCNA in English*
0253 GMT 7 Mar 96

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — The Kwangju and South Cholla Provincial Committee for joint measure to put the main culprits of the May 18 incident on trial decided on Feb. 29 to bring the United States to the international judicial court for its permission for military suppression of the Kwangju popular uprising, according to a South Korean paper.

The organization denounced the U.S. for its permission to the then South Korean new military for the use of "martial law troops" in Kwangju massacre in May, 1980.

It branded the permission as an unethical crime and held that the U.S. should be called to account for it by international law.

DPRK: ROK Defector Cho Won-ki Interviewed by Reporters

SK0603122996 *Pyongyang KCNA in English*
1019 GMT 6 Mar 96

[FBIS Transcribed Text] Pyongyang, March 6 (KCNA) — A South Korean defector, Cho Won-ki, 39, was interviewed by reporters at Pyongyang Koryo Hotel today.

Born in Chongwon County, North Chungchong Province, he worked as a driver at business companies in Chongju city, ran a snack bar and engaged in trade to eke out a living.

His parents, brothers and sisters, son and daughter remain in South Korea.

Turning to the motive of his defection, Cho told newsmen:

"I keenly felt that in corrupt South Korea all politicians cheat and extort the working people and that people like me cannot live in peace without overthrowing them.

"What prompted me most was that all people in the North lead a harmonious life, helping and leading one another like real brothers and sisters under the government of the respected General Kim Chong-il. Availing myself of an overseas trip, I defected to the DPRK."

The defector said irregularities became more rampant in South Korea after the emergence of the "civilian"-veiled Kim Yong-sam regime.

"In South Korean society, the strong oppress and exploit the weak, and the sinister-minded cheat the honest-minded for money's sake," he said, adding:

"Kim Yong-sam is the king of thieves as well as a political charlatan. He is said to be the seventh richest man in the South. His wealth is what he has piled through illicit channels by cheating the people.

"It is natural that under the corrupt Kim Yong-sam, South Korean society should be corrupt. In this society money turns kinsmen into enemies.

"The Umsong Mental House in North Chungchong Province looks like a hospital but it is a prison where

those who slandered Kim Yong-sam or the 'government' and protested against the corrupt society are detained."

The defector said he could learn that the DPRK led by General Kim Chong-il is a strong country in various fields.

"In addition to the developed economy and powerful military potential, singlehearted unity is the greatest strength of the north, where the people regard him as their father and share weal and woe with him," Cho Won-ki said. "There is no such country in the world as the DPRK where the leader and his people love and look after each other and are united in mind and purpose."

DPRK: ROK Defectors' Interview Reported

*SK0803083796 Pyongyang KCNA in English
0824 GMT 8 Mar 96*

["Interview With S. Korean Defectors" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 8 (KCNA) — An interview with Chong Yon-kyo, Tak Yong-tae, Chong Un-yong and Cho Won-ki, South Koreans who defected to the northern half of Korea this year, was held.

They are now living in happiness under the loving care of the great leader Comrade Kim Chong-il.

Chong Yon-kyo said:

Not many days have passed since I came over to the socialist motherland. In this period, however, I have come to cherish the value of a true life of man, experiencing a genuine politics based on the revolutionary philosophy on life.

A few days ago, I read witty remarks of General Kim Chong-il, "Live today not for today but for tomorrow", this is my view of life" carried in the NODONG SINMUN. While reading these remarks word by word, I was struck with deep admiration for the revolutionary view of life possessed by the general, the peerlessly great man.

When in South Korea, I heard a lot of legendary stories about the great General Kim Chong-il, the leader of the nation. But, I could not fully imagine that he is a distinguished leader who is leading the people with such a noble outlook on life, exalting the motherland of chuche.

It is the greatest fortune and highest honor of our nation to have the peerlessly great man who has devoted his all to the present and future development and prosperity of the country and to the eternal happiness of the people.

Tak Yong-tae had this to say:

I clearly realized that General Kim Chong-il is an outstanding great man without an equal in the world, who has descended from the heaven, while significantly greeting the February holiday with fellow countrymen in the North in deep respect and reverence for him.

He is deeply respected and praised by world people as he is leading the revolution and construction to victory with a matchless extraordinary intelligence, foresightedness and profound knowledge.

I more deeply felt his unshakable faith and will, seeing on TV screen General Kim Chong-il making tireless efforts for the happiness of the people even on his birthday, an extraordinary statesman who has conducted energetic creative and revolutionary activities without a moment's rest to make our people live in an earthly paradise of communism earlier than anyone else.

Cho Won-ki said that the reality of the North which is advancing full of confidence in future victory and optimism provided him with a belief in the resourcefulness and stamina of the Korean nation.

He added:

I feel myself hardened to see the North advancing in reliance on its great economic strength and military potentials, not yielding to the moves of the imperialists.

I am firmly convinced that our country will develop and prosper not only today but also tomorrow as it is guided by General Kim Chong-il.

DPRK Paper Comments on Forthcoming ROK Elections

*SK0603095596 Pyongyang KCNA in English
0853 GMT 6 Mar 96*

["MINJU CHOSON on Kim Yong-sam's Desperate Efforts for 'Election' Rigging" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 6 (KCNA) — The Kim Yong-sam group has set up such repressive tools as "anti-election offence teams" at some 4,200 organs at all levels and 236 police stations throughout South Korea and mobilized not only the puppet prosecutors and police but officials of the "National Tax Administration Agency" and bank watchmen in preparations of violent and fraudulent "election."

In a commentary the newspaper MINJU CHOSON says the fact clearly indicates how desperately they are trying to get a landslide victory in the forthcoming "National Assembly election."

The traitor Kim Yong-sam, lost to shame, is resorting to every conceivable means to get more votes for his

group in the "election" so that he may enjoy "stability" in his remaining years in power and may be safe after his term expires.

His another intention is to divert public protest against him to the "election" campaign and get out of the woods.

DPRK: Pomchonghangnyon Urges ROK To Release Students

SK0603052296 *Pyongyang KCNA in English*
0234 GMT 6 Mar 96

[FBIS Transcribed Text] Pyongyang, March 6 (KCNA) — The North side headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon) had an emergency meeting here Tuesday.

It was attended by Chairman Ho Chang-cho and members of the North side headquarters and representatives of youth and students.

Discussed at the meeting were measures for the release of South Korean students Chong Min-chu and Yi Hye-chong.

The girls participated in the grand national reunification festival marking the 50th anniversary of the country's liberation in August last year as representatives of South Korea's Federation of University Student Councils under the South side headquarters of Pomchonghangnyon, and did righteous things for the reunification.

When they went back to South Korea from Pyongyang, the South Korean puppets detained them on the charge of the violation of the notorious "National Security Law" (NSL) and are going to penalize them.

The participants in the meeting warned that if the Kim Yong-sam group penalize them, they will meet stronger protest and bitter denunciation from the whole nation and the progressive people and precipitate their doom.

Formed at the meeting was the North side headquarters' measure committee for the release of the girls.

An appeal to Korean youth and students in the South and overseas was adopted at the meeting.

It called for an active struggle in the North, South and overseas for the release of the two girls and other fellow students and patriotic champions of reunification who have been detained on unreasonable charges in South Korea.

It also called for waging the struggle for the release of Chong and Yi on a worldwide scale by strengthening solidarity with foreign youth and student organizations and international human rights organizations which

value equality and freedom of the people and the peace of the world.

DPRK: Release of 'Reunification Champions' in ROK Urged

SK0603121396 *Pyongyang KCNA in English*
0840 GMT 6 Mar 96

[FBIS Transcribed Text] Pyongyang, March 6 (KCNA) — The Buddhist Measure Committee for Release of Reunification Champions of South Korea has reportedly issued a letter urging the release of reunification champions including the hardcore members of the South side headquarters of the National Alliance for the Country's Reunification (Pomminnyon), now detained illegally by the puppet clique.

The letter exhorted the Kim Yong-sam "regime" to set free, at once, the reunification champions and prisoners of conscience, who devoted themselves to the country's reunification.

"If they are not released, we will disclose the Kim Yong-sam regime's violations of human rights and launch a drive to vote against the 'New Korea Party' candidates throughout South Korea in the 'National Assembly election' due in April," the letter said.

The Kim Yong-sam "government" should introduce a special prosecutor system and make a thorough investigation of the December 12 military rebels as well as the murderers of the May 18 Kwangju popular uprising, and punish all those involved, it stressed.

DPRK Daily Supports Release of 'Champions of Reunification'

SK0703052896 *Pyongyang KCNA in English*
0424 GMT 7 Mar 96

["NODONG SINMUN Calls For Rescuing Reunification Champions" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — NODONG SINMUN today carries a commentary supporting the measures taken by the North side headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon) to rescue Chong Min-chu and Yi Hye-chong, South Korea's champions of reunification.

The Kim Yong-sam group put behind bars the girls for their visit to Pyongyang as representatives of South Korea's Federation of University Student Councils and, since then, have harshly persecuted them. And they are now going to penalize them.

In this regard, the North side headquarters of Pomchonghangnyon had an emergency meeting on Tuesday, where

its measure committee for the release of the girls was formed and an appeal to Korean youth and students in the South and overseas was adopted.

The measures are very realistic and just ones to rescue from the fascist clique's suppression the patriotic champions of reunification including the two students, who visited the North, prompted by the patriotic desire for the country's reunification, the daily says, and continues:

The measures mirror the feelings of all the fellow countrymen in the North, South and overseas, who worry themselves about the South Korean patriotic students and reunification champions and are willing not to tolerate the separatist forces, who have persistently hampered national reconciliation, unity, peace and peaceful reunification of the country.

It is a duty and obligation of Korean youth and students at home and abroad to rescue their fellow students who have devoted themselves to the patriotic cause of reunification. We believe that the fellow youth and students in South Korea and overseas will join in the struggle for the release of the two girls and other patriotic champions of reunification, who were arrested on unreasonable charges, in response to the appeal of the emergency meeting of the Pommihangnyon North side headquarters.

DPRK: Pommihangnyon ROK Headquarters Marks 1st Anniversary

*SK0703100896 Pyongyang KCNA in English
0740 GMT 7 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — The South side headquarters of the National Alliance for the Country's Reunification (Pommihangnyon) held a meeting at Konkuk University in Seoul on Feb. 23 to mark the first anniversary of its formation, according to a report.

Participants in the meeting were over 2,000.

Congratulatory letters from all regional headquarters of Pommihangnyon in different parts of the world including the overseas headquarters and the headquarters in Japan on the occasion were read at the meeting.

The commemorative meeting held by the South side headquarters of Pommihangnyon, though its core members were still detained, shows well that the organization inflexibly fights against the present regime, an anti-reunification one, the letters said, and expressed solidarity with this struggle.

The participants in the meeting renewed their determination to defend Pommihangnyon and continue the struggle

for release of its core members even though the Kim Yong-sam group would keep up the fascist suppression.

DPRK Paper Carries Article on Reunification

*SK0703101496 Pyongyang KCNA in English
0755 GMT 7 Mar 96*

["Concerted Efforts of Whole Nation Guarantee National Reunification" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — NODONG SINMUN today comes out with a signed article saying that concerted efforts of the whole nation guarantee the reunification of the country.

There is no doubt that when all the compatriots at home and abroad struggle hand in hand irrespective of the differences in ideology and idea on the basis of the "10-Point Programme of the Great Unity of the Whole Nation for the Reunification of the Country" which was put forward by the Great Leader Comrade Kim Il-sung can a new phase of national reconciliation and unity, peace and peaceful reunification be provided, the article says, and notes:

The ten-point programme of the great unity of the whole nation indicates the general goal and the basic principle of unity for the reunification of the country and comprehensively consummates the important ways of realizing the national unity. It is indeed a great programme of reunification common to the nation, a militant banner of reunification.

The reunification of the country is the cause of the Korean nation for independence which can never be carried out by anyone else, and the nationwide cause which cannot be achieved by the strength of authorities or specific strata alone. All the Korean nation must rise up in the struggle for national reunification and realise the nation's cherished desire, uniting and solidarizing with each other.

In order to strengthen solidarity on the way to national reunification, it is imperative first of all for the North, South and overseas to support and encourage what is favourable to national reunification without prejudice, jointly reject what is harmful to it and take joint action and cooperate with each other, freed from narrow minds.

We have the precious traditions and experience of great national unity established by Comrade Kim Il-sung.

In order to strengthen solidarity in the struggle for national reunification, it is also necessary for all the political parties, organisations and people from all walks of life in the North, South and overseas to be united organisationally. The primary task here is to be united

firmly under the National Alliance for the Country's Reunification.

The Great Leader Comrade Kim Chong-il, the sun of the nation, lodestar of national reunification and kind father, stands in the van of the Korean nation's struggle for peace and peaceful reunification, and therefore, the achievement of great national unity and peace of the country and its peaceful reunification is firmly guaranteed.

DPRK: Rescued Crew of Wrecked Fishing Boat Returns

SK0703095996 Pyongyang KCNA in English
0733 GMT 7 Mar 96

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — Crew of the fishing boat "J-So 6052" of the Democratic People's Republic of Korea, who had met a mishap on the East Sea of Korea, returned home today.

They were warmly greeted at Chongjin Port by Pang Chong-hwan, secretary of the North Hamgyong Provincial Committee of the Workers' Party of Korea, officials concerned and working people in Chongjin.

The fishermen, who left Najin Port on Dec. 31 last year, had their boat disabled, while engaging in fishing off the land, and drifted for 50 days before being rescued by a Japanese patrol boat on Feb. 20.

DPRK: Syrian Revolution Anniversary Marked in Pyongyang

SK0703045596 Pyongyang KCNA in English
0310 GMT 7 Mar 96

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — A meeting was held here on Wednesday under the co-sponsorship of the Korea-Syria Friendship Association and the Korean Committee for Cultural Relations With Foreign Countries on the occasion of the 33rd anniversary of the March 8 revolution in Syria.

Present at the meeting were Yun Ki-chong, minister of finance and chairperson of the Korea-Syria Friendship Association, Yi Song-ho, vice-chairman of the Committee for Cultural Relations With Foreign Countries, officials concerned and working people in the city.

Invited there were Riyad Abbas [name as received], charge d'affaires ad interim and officials of the Syrian Embassy and Syrian students studying in Pyongyang.

Speeches were exchanged and a congratulatory letter to the president of Syria was adopted at the meeting.

DPRK Trade Union Delegation Leaves for Nepal

SK0703115996 Pyongyang KCNA in English
1035 GMT 7 Mar 96

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — A delegation of the General Federation of Trade Unions of Korea led by Vice-Chairman of its Central Committee Yi Chin-su left here today to participate in the 2nd Congress of the General Federation of Nepalese Trade Unions.

DPRK-Denmark Friendship Association Holds Emergency Meeting

SK0603101696 Pyongyang KCNA in English
0902 GMT 6 Mar 96

[FBIS Transcribed Text] Pyongyang, March 6 (KCNA) — The Denmark-DPRK Friendship Association held an emergency enlarged meeting of its executive committee in Copenhagen on Feb. 25.

The meeting expressed full support to the proposal of the DPRK Government for establishing a new peace mechanism on the Korean peninsula and discussed active solidarity measures to realise it.

A letter to the U.S. Government and a statement of the association were adopted at the meeting.

The letter noted that talks between the DPRK and the U.S. to develop their relations in politics and the economy were held and the DPRK Government offered a realistic proposal to establish a new peace mechanism reflecting the trend of the situation.

The letter supported this proposal and expressed the belief that the U.S. Government would make a real contribution to peace and the reunification of Korea by pondering and responding to the proposal for relaxation of the Korean peninsula's situation.

DPRK: Kim Yong-nam Meets With New Croatian Ambassador

SK0603113896 Pyongyang KCNA in English
1014 GMT 6 Mar 96

[FBIS Transcribed Text] Pyongyang, March 6 (KCNA) — Vice-premier and Foreign Minister Kim Yong-nam today met and conversed with new Croatian Ambassador E.P. [extraordinary and plenipotentiary] to the DPRK Branimir Strenja, who paid a courtesy call on him.

DPRK: Book Featuring Kim Chong-il Published in Moscow

SK0403090696 Pyongyang KCNA in English
0808 GMT 4 Mar 96

[FBIS Transcribed Text] Pyongyang, march 4 (KCNA) — A ceremony for publishing a serial book "Leaders of People in 20 Century, Comrade Kim Chong-il" was held in Moscow.

Nikolay Mishin, director of the Paleya Publishing House, said at the ceremony that it was natural that the first volume of the 80- volume book was edited and published to contribute to widely propagandizing the greatness of the idea, leadership and traits of the respected Comrade Kim Chong-il. The book will also be printed in Germany and be disseminated to the Russian politicians and the heads of state around the world, he said.

Prof. Eduard Volodin, who is a doctor of philosophy, said the publication of the first volume, in which works of Comrade Kim Chong-il, the great leader of the Korean people, are recorded, is an expression of high respect and praise for his ideological and theoretical activities and practical exploits.

DPRK: VNS: Literature Praising Kim Chong-il Scattered in Seoul

SK0703045896 Pyongyang KCNA in English
0305 GMT 7 Mar 96

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — Copies of literature praising the great leader Comrade Kim Chong-il were scattered in the section between Seoul Railway Station and Chongnyangni Railway Station at the dawn of February 16, according to Seoul-based radio Voice of National Salvation quoting the information of the Seoul City Committee of the National Democratic Front of South Korea.

The literature dated Feb. 16 in the name of the Patriotic Youth society for reunification said:

February 16 is the 54th anniversary of the birth of General Kim Chong-il, the guiding sun.

Let us all make a deep bow of wishing a long life to him on the occasion of the common holiday of the nation and humankind

The dignity of the Tangun nation shines and the future of a reunified country dawns under General Kim Chong-il, who was born as a son of Mt. Paektu.

Let us all fight and fight valiantly in response to his policy of reunification to move up to the day of reunification when he will make a triumphal entry into Seoul.

DPRK: Kim Chong-il Receives Greetings From Foreign Party Leaders

SK0703034996 Pyongyang KCNA in English
0259 GMT 7 Mar 96

[All names as received]

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — The great leader Comrade Kim Chong-il received messages of greetings from foreign party leaders on his birthday.

They came from Boleslaw Teikowski, chairman of the National Party of Poland; Vassalo Anthony, general secretary of the Central Committee of the Communist Party of Malta; Manzoor Nadir, leader of the United Force Party of Guyana; Tela Nosi, chairman of the Labour Patriotic Movement of Madagascar; Jean Emmanuel, national chairman of the Militant Party for the Realization of Equality of Madagascar; Raul Campanella, general secretary of the Revolutionary Party of Workers of Uruguay; P. Sorington, general secretary of the Barbados Labour Party; Aida Abella Esquivel, chairman of the National Leadership of the Patriotic Union of Colombia; Alvaro Vasquez del Real, general secretary of the Central Committee of the Communist Party of Colombia; Vincent Cabrera, acting leader of the February 18th Movement of Trinidad and Tobago; and S. Aman, general secretary of the United National Congress of Trinidad and Tobago.

Comrade Kim Chong-il received a message of greetings from the Central Executive Committee of the People's National Congress of Guyana.

They extend warmest congratulations to him and wish him good health and a long life.

DPRK: Kim Chong-il Motto: 'Live Today for Tomorrow'

SK0703100396 Pyongyang KCNA in English
0821 GMT 7 Mar 96

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — "Live today not for today but for tomorrow" — this is the view of life of the Great Comrade Kim Chong-il and, at the same time, the revolutionary faith and the philosophy of worthwhile life of the Korean communists, who are making the trial-ridden revolution following him, stresses NODONG SINMUN today in a political essay titled "Live Today for Tomorrow".

The essay quotes the Great Leader Comrade Kim Chong-il as saying:

"Live today not for today but for tomorrow" — this is my view of life. "Live Today for Tomorrow" means

that one should live, resolved to devote his life to the future of the motherland and the happiness of posterity, even though he does not enjoy comfort, the essay says.

It continues:

The honour and happiness of a revolutionary rest not with today's comfort but with the struggle and creation for the future.

To live a worthwhile life for the future — this is the conscience of the time, revolutionary fidelity and noble obligation, which should be maintained by all revolutionaries.

He who thinks of his selfish interest betrays his parents and his motherland as well.

If the men who should carry forward the revolution do not devote themselves to the future, only seeking today's comfort, they will totally spoil the precious achievements of revolution scored arduously by revolutionary elders over a long period, and the people will be reduced to slaves, with the life of each person coming to a failure.

The Korean people will never forget the enduring feats performed by the Great Leader Comrade Kim Il-song for the country all his life and stand alongside him at all times in a struggle to glorify the great feats through generations.

Live today not for today but for tomorrow — this is also the philosophy of victory for the Korean communists, who are ever victorious with strong faith and noble spirit of devoting themselves for the future.

Now the communists and the people of Korea do not regard this slogan as a mere doctrine on view of life envisioned for peace time and ordinary time.

In an acute confrontation with the imperialists, most wicked and despicable ever in history, we maintain this faith for the victory of the revolution and insist on the revolutionary view of life, the *chuche*-based view of life, with the honour and dignity of communists.

"We defeat socialism overcoming all trials and difficulties though we may die a hundred times. Let us see who will win at last." This is just the faith and heart of the communists and all people of Korea and the philosophy of victory.

Live today for tomorrow, this is as good as the faith and will of the Korean people to resolutely defend the Great General Kim Chong-il for their bright future.

This is really the philosophy of revolution, the philosophy of victory and the philosophy of human life, which can be advanced only by our general, who elucidated the secret of mankind's genuine life with the great *chuche*-

based philosophy and is leading the Korean people only to victory, assuming responsibility for the destinies of the present-day people as well as posterity.

No force on earth can subdue the people who have risen up with resolution to daringly devote their lives for the sake of the victory of the revolution, the bright future and the worthwhile life of the people who are advancing united in one mind around their leader in the spirit of becoming rifles and bombs.

Comrade Kim Il-song is always with us. We will prosper for all ages as the Kim Il-song nation and our life will shine eternally on the way of carrying into accomplishment the *chuche* cause pioneered by him.

This is just the great faith of Comrade Kim Chong-il, who calls for living today for tomorrow, and the eternal will of the Korean people as well.

DPRK: Kim Il-song, Kim Chong-il Honored Founder's Tomb

SK0703100996 Pyongyang KCNA in English
0807 GMT 7 Mar 96

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — King Wang-kon is the founder of Koryo (918-1392), the first unified state of Korea.

The Tomb of Wang Kon is situated in Haeson-ri, Kaepung County, Kaesong Municipality. Wang Kon built his royal government in June 918, became the first king, named the state Koryo in the meaning of inheriting Koguryo, designated the capital in Kaesong today and called it Kaegyong. He merged the states of the fellow countrymen till the year 936.

The Great Leader President Kim Il-song visited the Tomb of Wang Kon in May 1992 and said that as Wang Kon built the first unified state in Korea, his tomb should be kept well. The president indicated how the tomb should be rebuilt.

The Great Leader Comrade Kim Chong-il examined the formation plan of the tomb and its model and said that a monument to reconstruction of the tomb should be erected so that one could see the tomb was rebuilt in our era in praise of the feats of Wang Kon as the founder of Koryo, the first unified state.

Comrade Kim Chong-il took all steps to reconstruct the tomb splendidly and wisely led the work. In this way the Tomb of King Wang Kon could be rebuilt well on January 31, 1994, his 1,117th birthday.

The tomb occupies an area of 25,000 square metres at the foot of Mt. Songak. There are the majestic three-terrace grave of Wang Kon, his portrait, stone sculptures

depicting literary and military men who displayed resourcefulness and courage during the unification of three states, art works showing the fighting exploits of the Koryo people, the gate of the tomb and the memorial service room showing the art of architecture in that period.

Built in front of the gate is the "Monument to Reconstruction of the Tomb of Wang Kon, First King of Koryo" bearing the autograph letters of President Kim Il-song.

People can go into the tomb and see the inside and mural paintings.

DPRK Paper Stresses Coal, Metal Industry

SK0803071596 Pyongyang MINJU CHOSON in Korean 28 Jan 96 p 3

[Article by Chae Kyu-pin, director of the Secretariat of the Administration Council: "The Coal and Metal Industry Are a Breakthrough in Implementing the Party's Revolutionary Economic Strategy"]

[FBIS Translated Text] One of the most important tasks in consolidating the economic position of our-own-style socialism in compliance with the party's revolutionary intention is to concentrate strength on the coal industry and metal industry.

As was pointed out by the joint editorial, the coal industry and metal industry are the forefront and breakthrough in accomplishing the party's revolutionary economic strategy.

The great leader [yongdoja] Comrade Kim Chong-il has indicated:

We should see to it that with the whole party's support, the production of rolled steel and coal should be decisively increased.

The fact that the coal industry and metal industry are the forefront and breakthrough in accomplishing the party's revolutionary economic strategy means that these two domains are the most important and leading front in implementing the three tasks — the agriculture-first, light industry-first, and trade-first principles which were put forward by the party, and in implementing the strategic work of giving priority to leading tasks of national economy. This also means that these two sectors have become the key part in effecting great innovations and upsurge in overall socialist economic construction.

The coal industry is one of the leading sectors in national economy and is a backbone industry in charge of raw materials, fuel and energy resources of the nation's overall economy.

Works in all fields of national economy begin with coal production; and the progress of socialist economic construction and constant upsurge can be unthinkable without the satisfactory guarantee of coal production, which is the provisions of industry.

Thus, coal production can be called the lifeline for developing the nation's overall economy.

Along with the coal industry, the metal industry has become the forefront and breakthrough in accomplishing the party's revolutionary economic strategy.

The problem, which we should solve on a priority basis today in our nation's industry, is related to iron and steel.

The respected leader [suryong] Comrade Kim Il-song has taught that iron and machines are the king of industry, and the great leader [yongdoja] Comrade Kim Chong-il taught a long time ago that the production of a large quantity of iron and steel is the essential way for inspiring the nation's overall economy.

The production of iron and steel is one of the important barometers for evaluating the nation's economic strength, and the basic factor in industrial production is steel production.

Without iron and steel, one can never develop, even a step forward, the machine manufacturing industry, which is the kernel of the heavy industry and a basis for technological progress; nor can one produce plant facilities required for setting up various modern industrial facilities and systems.

What is urgently needed in all domains of national economy at present is iron and steel. Only if iron and steel are sufficient, we can enhance the nation's overall economy to a mightier and more vital stage.

This is precisely the reason why our party has defined the two domains—the coal industry and metal industry—as the forefront and breakthrough in accomplishing the revolutionary economic strategy and why our party emphasizes the focus of nationwide and the whole party's strength on these domains.

All functionaries and workers should keenly realize the revolutionary intention of our party which defined the coal industry and metal industry as the forefront and breakthrough in accomplishing the revolutionary economic strategy, and should vigorously carry out the struggle to effect a great revolutionary turn in these domains.

By doing so, we can first register a new production upsurge in the domains of the coal industry and metal industry, which are the forefront and breakthrough

in implementing the party's revolutionary economic strategy. Thus, we can widely make the breakthrough and effect a great revolutionary upsurge in all domains of socialist economy in our country.

The most important matter in this worthwhile and responsible struggle is for all functionaries and workers to have extraordinary determination and firm will to unconditionally accomplish our party's plan and intention without fail to make a breakthrough in the coal industry and metal industry with a view to effecting a great upsurge in overall national economy.

State economic guidance organizations, functionaries, and in particular, the functionaries who are directly in charge of the coal industry and metal industry, should keenly realize the importance of their position and role in accomplishing the party's revolutionary economic strategy, and should have determination to widely make a breakthrough in these domains by assuming the attitude and will of a soldier awaiting the order of an attack in the forefront. When functionaries and the working class in the coal industry and metal industry are firmly resolved, and vigorously advance forward by heartily upholding the party's militant appeal, "Let us vigorously demonstrate the spirit of socialist Korea by upholding the red flag!" — the slogan for struggle and advance put forward by the joint editorial — a great upsurge can be effected in the production of coal, iron and steel.

Functionaries and workers in the coal industry and metal industry should not forget, even a moment, the trust and expectations of the party, which assigned them the important and responsible mission to make a breakthrough in implementing the revolutionary economic strategy to the fore, and should consolidate their determination to repay them with loyalty and filial piety, thus accelerating their onward march.

For the coal industry and metal industry to make a breakthrough in accomplishing the party's revolutionary economic strategy, they should properly carry out economic operation in conformity with the party's intention and urgent demand of the reality.

In carrying out economic operation to make a breakthrough in accomplishing the party's revolutionary economic strategy, it is important to establish and embody the firm principle of giving top priority to the coal industry and metal industry and of concentrating all strength and means on them. To do this means that state investment should be boldly made in these domains, and the practical conditions should be created for normalizing the production in these domains at a high level by first concentrating manpower, facilities, raw materials, fuel, energy and materials on the coal industry and metal in-

dustry, and then attention should be paid to other fields of national economy.

Another issue, which we should not fail to grasp in operating the economy for making a breakthrough in accomplishing the party's revolutionary economic strategy, is to properly distribute coal, iron and steel outputs, based on the operational plan, in order to bring about great achievements.

We should supply coal, produced from each mine, to thermal power stations first so that they can normalize production of electric power at a high level, and should supply a sufficient amount of electricity to mines, steel and iron plants prior to other sectors with a view to constantly increasing their production. On the other hand, we should also supply iron, steel and coal to the railroad transportation sector in a bid to ensure a smooth railroad transportation. When coal, iron and steel are produced in large quantities; when a large amount of electric power is produced; and when railroad transportation is carried out smoothly, not only key industry sectors, including machine plants, chemical plants and construction materials bases, but also a number of light industry plants in central and local areas will be more satisfactorily operated. Besides, the production of chemical fertilizers, agricultural medicine, agricultural machines and instruments, and other farming equipment will be ensured more smoothly, while the production of export goods can be increased on a large scale.

In the economic operation to make a breakthrough in accomplishing the party's revolutionary economic strategy, it is important for economic guidance functionaries to pay keen attention to the issue of thoroughly accomplishing the struggle for production increase and conservation by searching and mobilizing all internal reserves and potentials.

Functionaries in the coal industry and metal industry should actively search and mobilize all internal reserves by upholding the slogan for production increase and conservation, which was put forward during the postwar period of great Chollima upsurge. Thus, they should produce more coal, more iron and more steel with existing manpower, facilities and materials, and should constantly increase production by manufacturing what is nonexistent and seeking out more of what is in short supply, and by highly displaying the revolutionary spirit of self-reliance and arduous struggle. In particular, functionaries and working people in the coal industry and metal industry should overcome all difficulties and trials by cherishing courage and indomitable spirit to cross the river in flames and rugged roads and by demonstrating the revolutionary spirit of "the arduous

march." In doing this, it is important for functionaries to command the combat vigorously and skillfully.

The vigorous support for the coal industry and metal industry from the whole nation works as a firm guarantee for making a vast breakthrough in the party's revolutionary economic strategy.

Not only the domains related to the coal industry and metal industry, but also all other domains in national economy should rise in the work of supporting mines, iron and steel plants with an attitude of befitting the master as if the work is their own. Thus, their support should be extended in a substantive manner so that it is practically helpful to the production of coal, iron and steel. Relevant domains, plants and enterprises should timely produce and supply freight cars, pumps, generators, rails, iron chains, bearings, explosives and fuse, rock drills, chisels, alloy for replacing the chisel end [chongmoriyonggyongjil hapkum], logs and other facilities and materials that are required for coal production, according to their plans and contracts. Thus, they should encourage all workers to actively support mines with manpower, materials and technology. At the same time, they should collect more scrap iron through a mass movement and send it to iron and steel plants. It is an urgent issue for us to pay deep attention to the living of working people in the coal industry and metal industry, including miners and welders.

We should effect a new great upsurge in the production of coal, iron and steel, in compliance with the lifetime intention of the great leader [suryongnim] and revolutionary intention of the great leader [yongdoja] Comrade Kim Chong-il. Thus, we should make a breakthrough in accomplishing the party's revolutionary economic strategy, and should effect a decisive turn in consolidating the economic position of our-own-style socialism.

DPRK: Pak Song-chol, Kim Chung-nin Mark Women's Day

*SK0703115896 Pyongyang KCNA in English
1046 GMT 7 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — A national meeting took place here on Thursday to mark the 86th March 8 International Women's Day.

Present at the meeting were Pak Song-chol, Politburo member of the Central Committee of the Workers' Party of Korea and vice-president of the DPRK; Kim Chung-nin, secretary of the WPK Central Committee; Kim Pok-sin, vice-premier of the Administration Council; officials concerned and anti-Japanese revolutionary woman fighters as well as women in Pyongyang.

In her report at the meeting Kang Kwan-son, secretary of the Central Committee of the Korean Democratic Women's Union, referred to the proud development of the Korean women's movement under the wise guidance of the Great Leaders Comrade Kim Il-song and Comrade Kim Chong-il.

She quoted Comrade Kim Chong-il as saying:

"We have good traditions and history of the women's movement."

The reporter said:

Comrade Kim Il-song gave a new exposition of the position and role of the women in the revolutionary struggle and elucidated original ideas and theories on the women's emancipation and the women's movement on the basis of the immortal chuche idea.

Under the guidance of Comrade Kim Il-song, Kang Pan-sok, an outstanding leader of the Korean women's movement and the great mother of Korea, started the Korean Communist Women's Movement and led it along a road of independence.

Esteemed Comrade Kim Chong-suk, an indomitable communist revolutionary and anti-Japanese heroine, under the leadership of Comrade Kim Il-song, united women from all walks of life closely around him, powerfully encouraged them to the anti-Japanese war, performing immortal exploits which are shining in the history of the revolutionary struggle of our people and the history of the women's movement.

Comrade Kim Chong-il has put the Korean women's movement onto a new higher stage through his outstanding ideological and theoretical activities and wise leadership.

Today the Korean women are dependable workers who are rolling one of the two wheels of the revolution and full-fledged builders of socialism and communism who are keeping the red flower of the revolution into full bloom.

Some of them are deputies to the Supreme People's Assembly and other power bodies at different levels and important postholders of party and state bodies, and many women are active as management officials of modern industrial establishments and cooperative farms.

With general knowledge and cultural and technical knowledge of the women being enhanced, hundreds of thousands of women intellectuals are working hard with an equal position with men in science, technology, education, public health, culture and art, sports and other sectors, displaying the honor of being faithful servants of the people.

Today the women, with the firm revolutionary outlook on the leader, are revolutionaries who think and act as intended by the respected Comrade Kim Chong-il and seek a worthy life in sharing life and death, sweets and bitters with the leader.

The reporter stressed the need to strive to defend and further glorify Korean-style socialism centred on the popular masses and accomplish the revolutionary cause of chuche under the unfurled red flag of the revolution.

Referring to the active contributions made by the Korean Democratic Women's Union and the Korean women to the common cause of humankind, the reporter said that they will in the future, too, further strengthen militant solidarity with women in different countries of the world who are struggling for social progress, democracy, true women's emancipation and rights and the future of the rising generations.

DPRK: 'Happy Life of Working Women' Viewed
SK0703100296 Pyongyang KCNA in English
0749 GMT 7 Mar 96

["Happy Working Women of Korea" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — Korea's women, who take up half of the population of the country, are active in all fields of social life, including politics, economy and culture.

The state has been adequately ensuring all conditions for their social life.

The happy life of working women is simply illustrated by the Pyongyang textile combine.

The combine, with an area of 703,500 square meters, is one of the nation's biggest textile producers.

It is managed and operated by women that make up 72 percent of the employees.

The Great Leader President Kim Il-song, giving on-site guidance to the combine on 48 occasions, provided all conditions for the female employees to work with no worry.

In January 1953 during the fatherland liberation war, he called at the combine and instructed that nursery facilities should be supplied to the factory before anything else. He sent various kinds of articles for the children including toys and nutrients.

Afterwards, he frequently called at the combine and paid deep interest to the work and life of woman workers, underscoring the need to build up and run a nursery, kindergarten and a children's hospital in a creditable manner.

He took a step to give university education to women with babies at correspondence course and took meticulous care of their life — their commutation, supply service of subsidiary food and even their family life.

Today, women with babies of the combine commute by exclusive bus and work at over 60 workteams organised exclusively for women with babies receiving lots of additional state benefits.

The combine has a weekly creche, a weekly kindergarten, nearly twenty nurseries and kindergartens, a children's hospital and even a fish-breeding pond for children.

All kinds of splendid welfare service facilities enable them to fully discharge their important role and duty for the country and society with no worry.

Of them Yi Hwa-sun and Kim Pok-sil became winners of the order of Kim Il-song and labour heroines, the merited weaver Pak Chun-hong became a deputy to the Supreme People's Assembly and many women including Yi Chong-sun, So In-suk, Choe Chong-suk and An Suk-hui, labour heroines, grew to be management officials of the combine.

South Korea

ROK: Police Beef Up Security Around U.S. Embassy

SK0803005396 Seoul YONHAP in English
0040 GMT 8 Mar 96

[FBIS Transcribed Text] Seoul, March 8 (YONHAP) — The Seoul Metropolitan Police Agency instructed five police stations Thursday to beef up security around the U.S. Embassy and other American facilities in the capital, in case of surprise demonstrations by members of the Federation of Student Councils [Sochongnyon] in Seoul.

The Chongno, Namdaemun and Yongsan police stations are among the five stations that received these instructions.

The precautionary measure was taken on the basis of intelligence reports which indicated that radical members of the student organization might stage surprise demonstrations in front of U.S. agencies Friday and Saturday to protest Washington's alleged approval of the mobilization of troops for the bloody suppression of pro-democracy civil uprising in Kwangju in 1980.

A students group delegates convention is scheduled at Hankuk University of Foreign Studies Friday and Saturday.

Students plan to protest in small groups of 20 or 30, according to the intelligence reports.

ROK Ministry Receives U.S. State Department Documents on Kwangju

SK0803085396 Seoul YONHAP in English
0828 GMT 8 Mar 96

[FBIS Transcribed Text] Seoul, March 8 (YONHAP) — The Foreign Ministry received about 2,500 pages of declassified U.S. State Department documents Friday that pertain to the Dec. 12, 1979, military coup and the ensuing 1980 popular uprising in Kwangju, Foreign Ministry Spokesman So Tae-won said.

The U.S. State Department forwarded the documents to the South Korean Embassy in Washington last Friday after embassy officials requested to review the documents cited by a report in the U.S.-based JOURNAL OF COMMERCE.

Most of the documents are letters exchanged by the U.S. State Department and the American Embassy in Seoul, regarding the political and military situation in South Korea from January 1979 to December 1980, So said.

The United States Freedom of Information Act stipulates that classified government documents are to be automatically declassified twenty-five years after they were produced.

The Freedom of Information Act also requires a special State Department screening committee to review requests to declassify documents which were produced less than 25 years ago. This is a process that is open to Americans and non-Americans.

The state department can release all or part of the requested, depending on the decision of the screening committee.

The documents provided to the Foreign Ministry are those supplied to Tim Shorrock of the JOURNAL OF COMMERCE between September 1993 and March 1994, the spokesman said. Shorrock requested those materials in 1990.

The Freedom of Information Act requires applicants for declassification of U.S. Government documents to present a written application stating how they will use the materials and promising not to use them for commercial purposes.

Spokesman So said that the 2,500 pages his ministry received are only the first batch of declassified material, implying that the U.S. State Department was still screening documents that have some bearing on the Kwangju uprising.

So said that the U.S. Government provided the materials for the ministry's reference, and explained that "It would, therefore, be inappropriate for the Foreign Ministry to release the documents to the press."

The ministry is, however, considering a press briefing to outline and summarize the U.S. Government's perspective and role in the volatile political and military situation in Korea that led to the Kwangju uprising, as soon as the ministry finishes reviewing the materials, So said.

So explained that because the Korean people have a keen interest in the U.S. role in the 1979 military coup and the civilian uprising in Kwangju the following year, such a news conference seemed inevitable.

ROK, U.S. Groups Seek To Attract U.S. Businesses To Invest

SK0703133696 Seoul MAEIL KYONGJE SINMUN
in Korean 7 Mar 96 p 2

[By Mun Chae-wan]

[FBIS Translated Text] Under the catch phrase "Doing Business in Korea," U.S. companies conducting business in the ROK are carrying out activities to attract businesses from the U.S. mainland to invest in the ROK.

This is the first time for U.S. companies to work to persuade their own country's businesses to invest in a third country. This hints that the environment for foreign investment in the ROK has improved considerably.

According to the Ministry of Finance and Economy on 5 March, the Korea Economic Institute of America (KEI), an economic public relations organization in the United States affiliated to the Overseas Economic Institute, will tour major cities on the U.S. West coast, such as Los Angeles and San Francisco, from 25 March to 5 April and give explanations on investing in the ROK.

This explanation tour will be supported by the ROK Embassy in the United States and the U.S. Embassy in the ROK. Pak Kon-u, ROK ambassador to the United States; Laney, U.S. ambassador to the ROK; and aides of the commerce secretary plan to take part.

In particular, George Williams [name as transliterated], chairman of the American Chamber of Commerce to the ROK, will personally participate in the tour and give explanations on investment conditions in the ROK. It is expected that this will greatly contribute to activating direct investment in the ROK by U.S. businessmen.

Hyon Chong-taek, an official in charge of international cooperation affairs of the Ministry of Finance and Economy, will take part in and explain the ROK's

economic and open policy. However, almost all of the events will be carried out centering around the United States. The explanation tour — which will start on 25 March — will first be held in Riverside, California, followed by Los Angeles, Orange County, Seattle, Portland, San Francisco, Denver, New Orleans, and San Diego. During the visit to the nine industrial cities, which will last until 5 April, the tour will be carried out with businessmen, bankers, journalists, and officials related to industrial associations participating.

Based on late last year, investment in the ROK by the United States was \$645 million. This amounts to 33.4 percent of all direct foreign investment in the ROK, which amounted to \$1.93 billion.

ROK: New U.S. Director of KEDO Arrives 8 Mar for Meetings

SKD803075396 Seoul YONHAP in English
0744 GMT 8 Mar 96

[FBIS Transcribed Text] Seoul, March 8 (YONHAP) — The new American executive director of the Korean Peninsula Energy Development Organization (KEDO), Paul Cleveland, is going to arrive in Seoul Saturday on a four-day familiarization tour, the office of planning for light-water reactor project said Friday.

Cleveland will be here until Tuesday and is scheduled to meet with Deputy Prime Minister and Unification Minister Kwon O-ki, Foreign Minister Kong No-myong, Presidential Foreign and Security Advisor Yu Chong-ha, and Light-Water Reactor Project Planning Office Director Chang Sun-sop.

They will discuss KEDO operations and how to proceed with the project with North Koreans, according to the planning office.

In the meantime, KEDO is scheduled to hold an Executive Board meeting in New York on or around March 18 to map out a strategy for the negotiations with Pyongyang that will determine how to proceed with the light-water nuclear reactor project. The negotiations with Pyongyang are scheduled for late March at a location that yet to be determined.

The board meeting is also expected to consider the admission of European Union countries to the consortium and how the project will be financed.

ROK Report Indicates DPRK Falling Into 'Economic Spiral'

SKD703122196 Seoul THE KOREA ECONOMIC WEEKLY in English 7 Mar 96 p 11

[FBIS Translated Text] The technology level of North Korea is tantamount to that of South Korea in 1970s. The recent factory operation rate in North Korea is around 20-30 percent.

North Korea's economy recorded a negative growth for five years until 1994. Its foreign debt amounts to half of the gross national product (GNP).

This is contained in a recent report, North Korean Economy, published by the Korea Development Bank.

As of the end of 1994, South Korea's GNP amounts to \$376.9 billion, 17.8 times that of North Korea with \$21.2 billion. Seoul's GNP per capita totals \$8,483, 9.2 times that of Pyongyang's \$923.

North Korea's trading volume is on the decrease. North Korea's foreign debt is just less than 20 percent of South Korea, but when compared to GNP, it accounts for 50.3 percent of GNP, thus threatening its economy.

The North Korean economy is suffering from three shortages, three lows and three poors. They are shortage of foreign currency, shortage of grain and shortage of foodstuff; low international competitiveness, low working morale and low technology level; and poor product quality, poor living standard and poor production facility.

These factors are urging North Korea to fall into an economic spiral.

Especially, lack of investment in the private sector along with outworn facility and equipment, shortage of raw material and low technology level is lowering the factory operating rate to 20-30 percent.

North Korea's technology level is about that of South Korea in the 1970s and 1980s. Especially the technology level of shipbuilding and synthetic fiber is similar to that of South Korea before the 1970s.

Comparison of South and North Korea Economy

					1992	1993	1994
	Unit	S	N	S	N	S	N
Population	1,000	43,663	22,336	44,056	22,645	44,453	22,953
GDP	\$100 MIL	2,945	211	3,287	205	3,769	212
GDP per Capita	\$	6,749	943	7,466	904	8,483	923
Economic Growth Rate	%	4.7	-7.6	5.6	-4.3	8.2	-1.7
Trading Volume	\$100 MIL	1,5841.1	26.6	1,660.4	26.4	1,983.5	21.2
Exports	"	766.3	10.2	822.4	10.2	960.1	8.4
Imports	"	817.8	16.4	838.0	16.2	1,023.5	12.7
Exchange Rate to US\$	W/\$	780.84	2.13	802.73	2.15	803.62	2.2
Foreign Debt	\$100 MIL	428.2	97.2	440.8	103.2	568.5	106.6
Ratio of For Debt to GDP	%	14.5	46.1	13.4	50.3	15.1	50.3

(Source: KDB (Korean Development Bank))

ROK: 'Instability' in DPRK Could Lead to 'Unexpected Incident'SE0703135296 Seoul HANGYORE SINMUN
in Korean 7 Mar 96 p 5

[By reporter Yi Sang-ki]

[FBIS Translated Text] Due to intensified food shortages, an increasing number of North Koreans escaping from North Korea, and ideological agitation, North Korea is currently suffering from instability in its system. Attention is focusing on the conclusion of one study, which is that North Korea may in the long run be faced with threats to the very existence of its system, and that in this situation an unexpected incident may occur.

On 6 March the Advisory Council for Democratic and Peaceful Unification (Secretary General Pak Song-pom) published a research paper titled "Assessment and Analysis of the Theory of a Crisis in North Korea's System." In this research paper, the conclusion was drawn that — due to economic collapse, as evidenced in the food crisis; increasing examples of deviations from the system, such as an increase in the number of North Koreans escaping the North; instability in Kim Chong-il's regime; increased international isolation; and the

people's ideological agitation — North Korea is now more than ever before faced with an unstable situation.

This paper concluded that if the current situation continues and dangerous dilemmas are not resolved, the crisis in the Kim Chong-il regime will lead to a collapse of the North Korean system, and ultimately it may even spread to an unexpected situation.

This paper said an unexpected situation may occur from a sudden aggravation in Secretary Kim's health or a shooting incident; a military coup d'etat by his bodyguards or a rebellion due to this; frequent riots throughout the country all at once; absence of the ability to manage a crisis on the whole due to people escaping North Korea on a large scale; and limited and impulsive armed provocations toward the South.

It suggests that the expected range of military provocations by North Korea could be military conflict threatening the current armistice system; the threat of an all-out war through localized warfare; and terrorism and destructive operations through intentionally disguising North Koreans as defectors.

It also analyzed that — judging that the ROK Government and the people have the will and ability to deter war; the DPRK cannot receive support from China and

Russia, its traditional allies, in case of an emergency; and rather than a military approach, a diplomatic approach through an improvement in relations with the United States and Japan is most favorable to the country's interests — North Korea will hesitate to carry out provocations against the South.

Along with this, it revealed that domestically, to block the people's agitation and defections from North Korea due to the food crisis this year, North Korea will strengthen control through the military, concentrate on creating a tense situation, and present a new direction in policy, such as the official succession of power of Secretary Kim and the announcement of the Fourth 7-Year Plan.

This paper added that North Korea will exert efforts to create conditions for actively promoting the establishment of diplomatic relations with the United States and Japan and, at the same time, conclude the North-U.S. peace agreement, and will regard the establishment of the "North-U.S. peace mechanism," which is an intermediate measure, as the main diplomatic goal.

ROK: Japan Plans To Return Fishermen to DPRK
SK2302121796 Seoul HANGYORE SINMUN
in Korean 23 Feb 96 p 2

[Report by YONHAP from Tokyo]

[FBIS Translated Text] It was learned on 22 February that the Japanese Government has decided to return the North Korean fishermen to North Korea at their request. They had been rescued by a Japanese maritime patrol boat on 20 February after drifting in the East Sea [Sea of Japan].

The Japanese Government will reportedly decide on the method of their repatriation after consulting with North Korea. It is expected the fishermen will either be sent back to North Korea via a diplomatic route, aboard a North Korean cargo ship, or aboard their repaired fishing vessel. They are currently hospitalized in the coastal city of Tsuruga in Fukui Prefecture, Japan.

ROK: Japanese Coalition Parties Wish To Visit ROK 'at Early Date'

SK2302125396 Seoul YONHAP in English
1155 GMT 23 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 23 (YONHAP) — Senior policy officials of the Japanese ruling coalition parties on Friday expressed the wish to have their party mission visit South Korea at an early date.

A coalition party delegation was to visit Seoul on Jan. 11-12 but was put off indefinitely due to strained Korea-Japan relations over the Tokto issue.

Taku Yamazaki, Liberal Democratic Party's Policy Affairs Research Council chairman, and others disclosed the hope during their meeting with Korean Ambassador Kim Tae-chi over a luncheon.

They asked the ambassador to see to it that their visit could materialize at an early date, stressing that their original visit plan was simply put off, not canceled altogether.

Ambassador Kim declined to make any commitment, expressing the view that the matter would depend on the outcome of a Korea-Japan summit meeting expected to take place during a Asia-Europe Summit in early March in Bangkok.

The Japanese mission initially wanted to explain to Seoul about the Japanese policy toward the issue of resuming Japan-North Korea normalization talks.

ROK: Pusan-Vladivostok Passenger Line Expected in 1996

SK0703132796 Seoul TONG-A ILBO in Korean
7 Mar 96 p 2

[FBIS Translated Text] Within this year, a passenger line between Pusan and Vladivostok is expected to be established for the first time and a container ship line is expected to be newly established between ROK's Pusan and Russia's Korsakov.

Two ROK-Chinese car-ferry lines — one between Inchon and Dandong and the other between Mokpo and Lianyungang — will also be established.

The Korea Maritime and Port Administration (KMPA) on 6 March said that pursuant to the ROK-Chinese and ROK-Russian marine transport agreements signed in 1995, the KMPA will inform the relevant businesses soon of its plan to select the firms to participate in operation of the lines, receive applications until the end of March, and select the participating firms in April to push ahead with establishment of the lines at an early date.

The businesses qualified to participate in the operation of the lines will be limited to those marine transport businesses which are in operation according to the Marine Transport Law in view of their specialization in the marine transport business, and participation in these new lines by shipping companies already participating in the existing ROK-Chinese and ROK-Russian lines will be restricted, the KMPA said.

Between the ROK and China, at present five car-ferries are in operation on four lines — between Inchon and Weihai, between Inchon and Qingdao, between Inchon and Tianjin, and between Inchon and Dalian. There is

also one line between Pusan and Yantai, and another car-ferry line is expected to be established between Pusan and Shanghai in June. Between the ROK and Russia, one container line is in operation between Pusan and Vladivostok.

ROK: Russian Scholar Reviews Status of ROK-Russia Relations

SK0803024696 Seoul CHOSON ILBO in Korean
6 Mar 96 pp 3, 4

[Article by Vadim Tkachenko (name as transliterated), director of the Korean Studies Center of the Far East Affairs Institute in Russia: "The ROK Is Being Forgotten in Russia"]

[FBIS Summary] The ROK media have complained that Russia tried to hand North Korean Staff Sergeant Cho [the armed soldier who stormed the Russian compound in Pyongyang in February] over to North Korean authorities. It is unfortunate that Staff Sergeant Cho was killed inside the Russian compound, and I think that Russia should have handled this case more prudently.

However, I would like to ask the ROK: Why do ROK enterprises hesitate to invest in Russia? I also would like to ask the ROK: Has there ever been a time when Russia was the ROK primary partner? Russia has always been No. 3 or No. 4 on the ROK list of important countries.

The Russian media always mentioned the "miracle of the ROK economy." One of the reasons why Russia tried to normalize relations with the ROK was that the ROK could serve as a model for Russia. At that time, Russia believed that the ROK model was more suitable to Russia than the Japanese model. Then, I would like to ask this question: "Does Russia still remember the ROK?"

Few Russians recall their past hope for bilateral cooperation. And, the ROK is mentioned when such disasters as the Sampoong collapse took place. This does not necessarily mean that ROK-Russia relations are gloomy.

Still, the development of ROK-Russia economic cooperation has slowed down. The volume of trade between the two countries is now at \$3 billion, not the projected \$10 billion. And, the ROK invested less than \$30 million. In a few words, ROK-Russia economic cooperation is disappointing.

Russians believe that the country should change its policy toward the Korean peninsula. Rather, Russia has already begun to change its policy.

In an effort to get something from Seoul, Russia cooled its relations with Pyongyang and put an end to its military relations with Pyongyang. And, Russia declared

that it would not extend the DPRK-Soviet treaty of friendship.

Then, what has Russia gotten in return? Its influence on Pyongyang has weakened, and it has lost a reliable military ally. And, Russia has remained a third party throughout the nuclear crisis on the Korean peninsula.

Many people expected that North and South Korea would make big changes to their foreign policies. However, North Korea still pursues an isolationist policy, while the ROK pursues a policy of alignment with the United States.

Russia supports reunification on the Korean peninsula. Still, it supports reunification only if a reunified Korea would not be hostile to Russia. I would like to recall the fact that Russia has diplomatic relations with North and South Korea. Should Russia defend the ROK's interests even by not abiding by treaties such as a criminals expatriation treaty it signed with third countries?

I would like to mention that the case involving Staff Sergeant Cho was made public by the ITAR-TASS News Agency. ROK people should ask themselves what the XINHUA News Agency did at that time.

I cannot say my view represents that of all Russians, but I can confidently say many Russians share my view. I also would like to add that I am considered pro-ROK in Russia.

ROK Editorial on Reactions to PRC Missile Tests Near Taiwan

SK0803071696

[FBIS Report] The following is a compilation of editorials published by ROK vernacular newspapers on 8 March in reaction to the PRC's plan to test fire missiles into the sea near Taiwan.

The conservative CHOSON ILBO carries on page 3 an 800-word editorial entitled "Why Is the Missile Test Taking Place in the Strait?" Reviewing the exchange of harsh remarks between the PRC and Taiwan, the editorial states: "The issues in the strait should not be resolved by military means. Comparing the military strength of the two sides, the PRC is in a better position in terms of size, but Taiwan is superior in terms of quality. In the worst case of military collision, the PRC reportedly would not be able to land on Taiwan." The editorial then notes the PRC's intended effect of the missile tests on Taiwan's presidential election and assesses that a blow to Lee Teng-hui would only benefit the Democratic Progressive Party, which advocates more strongly Taiwan's independence, and thus would hamper the PRC's idea of "one China."

The editorial continues to write that "the PRC's reinforcement of the Navy would promote an arms race in Asia," particularly in those countries involved in the territorial dispute over the Spratly Islands, as well as the Korean peninsula. The editorial states: "Countries that can exercise influence on the PRC, to a greater or lesser extent, should not keep silent." The editorial ends by urging the PRC to show wisdom and self-restraint.

The moderate CHUNGANG ILBO carries on page 6 a 600-word editorial entitled "The PRC's Dangerous Show of Force." The editorial expresses deep concern about the effect of the missile tests on the neighboring countries, and states: "Military experts agree that Taiwan would certainly have great damage if the PRC attacks, but considering Taiwan's military strength, the PRC would also suffer considerably. More importantly, the arms conflict between the two would greatly shake the security and economic order of East Asia." The editorial then notes the expected economic damage in the PRC, which would endanger the hard-won reform and opening and isolate the PRC in the international community. The editorial concludes that "the PRC's show of force would have more losses than gains," and urges the PRC to "immediately suspend the missile drill."

The moderate KYONGHYANG SINMUN carries on page 3 a 900-word editorial entitled: "The PRC's Threat on Taiwan." The editorial reviews previous missile test firings by the PRC and notes that the landing points of the missiles are drawing closer to Taiwan. The editorial states that such dangerous missile tests "will bring about undesirable consequences to the PRC," citing the U.S. and Japanese reactions to the drill. The editorial expects that any contingency would also affect the ROK, and urges that "the ROK should seek preparatory measures." The editorial ends by warning: "Should anything go wrong in the drill, the PRC would face a serious diplomatic ordeal."

The moderate MUNHWA ILBO carries on page 7 a 1,000-word editorial entitled "The PRC Should Stop Creating Tensions." The editorial reminds the PRC of the fact that the country is a permanent member of the UN Security Council, which has the responsibility to deter international conflicts, and of the PRC's promise not to seek hegemony. The editorial states that "the PRC does not have the right to hamper travel and trade in Asia." The editorial notes the possibility of an arms buildup in Japan and those countries involved in the Spratly Islands dispute as a result of the PRC's Navy reinforcement, and worries about the U.S. involvement in the worst case, according to the U.S. law on relations with Taiwan. The editorial concludes: "The PRC should not create tensions in East Asia but should seek a peaceful resolution. The ROK Government should make

a diplomatic protest asking the PRC not to create tensions in the region. The PRC should immediately refrain from military actions."

ROK: No Plans To Make 'Official Statement' on PRC Missile Tests

SKD803084696 Seoul YONHAP in English
0831 GMT 8 Mar 96

[FBIS Transcribed Text] Seoul, March 8 (YONHAP) — South Korea has been watching the developments between China and Taiwan very carefully since the recent Chinese missile launch across the Taiwan strait, which was intended to thwart an independence movement in Taiwan, which Beijing considers a renegade island.

Seoul has no immediate plans to make an official statement on China's military activity against Taiwan, however, a Foreign Ministry official said.

The ministry meanwhile instructed its mission in Taipei to take all necessary precautions to protect Koreans in Taiwan against the possible repercussions of the mounting tension that hovers over the Taiwan strait.

Washington and Tokyo lodged strong protests and even warned Beijing about its planned missile-launching exercises, and insisted that such military activity can only exacerbate the tensions in northeast Asia.

ROK: Isu Chemical Company Plans Joint Venture Plant in Hanoi

SKD803042596 Seoul YONHAP in English
0244 GMT 8 Mar 96

[FBIS Transcribed Text] Seoul, March 8 (YONHAP) — Isu Chemical Co. will build a joint venture chemical plant in Hanoi with Vietnam's Ducgiang Chemical Co. to produce raw materials for synthetic detergent, Isu officials said Friday.

Isu will invest 55 percent of the 8 million U.S. dollars needed for the joint venture, while the remaining 45 percent will come from Ducgiang Chemical, a subsidiary of the state-run Vietnam National Chemical Corp.

The plant will produce 24,000 tons of linear alkylbenzene sulfonic acid (las) worth 20 million dollars annually. Construction will begin in May of this year and will be completed by the end of 1997.

Isu Chemical plans to use the plant in Vietnam as a base for expanding into the Southeast Asian market.

ROK: Textile Export Agreement Reached With TurkeySK0703121396 Seoul YONHAP in English
0712 GMT 7 Mar 96

[FBIS Transcribed Text] Seoul, March 7 (YONHAP) — South Korea and Turkey reached an agreement Thursday that South Korea would export no more than 17,000 tons of textiles to Turkey annually, a Foreign Ministry spokesman said Thursday.

The two countries also agreed that South Korean textile products that are exported to a third country after processing in Turkey will be excluded from the quota. This paves the way for South Korean textile products to be sold in European Union countries that have an agreement with Turkey on the free movement of products, the spokesman said.

The Turkey-EU agreement went into effect at the beginning of 1996, so Turkey has implemented import quotas on 49 countries in an effort to prevent textile products from flowing into the EU through Turkey.

Hong Kong took the case to the World Trade Organization (WTO) last month and South Korea joined the trade dispute talks as an interested third party.

South Korea exported 150 million dollars worth of textile products to Turkey last year.

ROK: Halla Group Plans Heavy Equipment Factory in WalesSK0803031296 (Internet) The Digital Chosun Ilbo
WWW in English 1226 GMT 7 Mar 96

[FBIS Transcribed Text] The Halla Group has decided to construct a heavy equipment factory in Wales to constitute a base for the Group's European activities. The Group announced Thursday that the Group's Chairman, Chong In-yong, met British Prime Minister, John Major, at the Seoul Hilton and that the two agreed that a heavy equipment assembly with a yearly capacity of 6,000 vehicular units would be built through a total investment of 17 million UK pounds.

The Group's overseas subsidiary, Halla-Euro Enterprises, will commence construction of the plant in the middle of this month with completion scheduled for the end of November. The plant will be located around 42 kilometers north of Cardiff.

The Halla Group last March established a factory which sells and repairs car parts and heavy construction equipment parts near Hatfield close to London.

ROK: Swiss Police Unable To Find Bank Accounts for No Tae-uSK0703121296 Seoul YONHAP in English
0817 GMT 7 Mar 96

[FBIS Transcribed Text] Seoul, March 7 (YONHAP) — The Swiss Federal Police have not been able to find any bank accounts held by former South Korean President No Tae-u or his family in their initial investigation, prosecution sources said Thursday.

The police have contacted us twice to report their interim investigation results, a source said.

It has been determined, however, which bank the money wrapper found in the car of No Tae-u's daughter So-yong came from, and police are now trying to determine if there is an account there held by the No family, according to the source.

He refused to provide the name of the bank, but said the bank is in one of the two cities the Swiss police are now investigating. Investigators have contacted banks in four cities, including Geneva, but have found nothing so far.

The Swiss Police will continue to report the results of their investigation to the Korean prosecution, the source added.

ROK President Briefed by Reform Commission on Reform ResultsSK0803050296 Seoul YONHAP in English
0427 GMT 8 Mar 96

[FBIS Transcribed Text] Seoul, March 8 (YONHAP) — President Kim Yong-sam was briefed Friday by the Administrative Reform Commission on the results of its reform efforts and the future of the commission.

President Kim thanked the commission for its efforts to improve various administrative policies and asked the commission to continue its efforts to revamp those areas that directly affect the "quality of people's lives," including health, environment, transportation and safety.

Since the commission was formed in 1993 by President Kim, it has proposed more than 2,000 ways the government could improve administrative efficiency.

Pak Tong-so, chairman of the commission, told the president, that "we will review 2,389 procedures in five administrative fields, which actually restrict the lives of citizens, to eliminate unnecessary administrative regulation."

Pak said that the commission will also study ways to simplify the construction regulations and improve the contract bidding system to prevent shoddy construction.

Pak also informed the President Kim that the commission will move forward with its plan to ease banking, securities, insurance, credit card and leasing regulations to prepare for the opening of the South Korean financial market.

ROK: New Korea Party Announces General Election Pledges

SKD803050896 Seoul YONHAP in English
0444 GMT 8 Mar 96

[FBIS Transcribed Text] Seoul, March 8 (YONHAP) — The ruling New Korea Party [NKP] pledged Friday to legislate a basic de-regulation law, lower income tax, and reduce the period of mandatory military service.

In its pledges for the upcoming April 11 general elections, announced Friday, the NKP said that it will enact a basic regulation reform law that takes precedence over the provisions of individual laws, in a bold move to abolish unnecessary regulations that hamper business activities and the general public's livelihood.

The majority party also proposed the establishment of a special reform committee, which would integrate existing de-regulation policies at administrative agencies. The special committee would see to it that regulations that are deemed necessary would be temporarily enforced for a specified period of time.

To ease the tax burden on struggling businesses and wage earners, the NKP promised to revamp the income tax law. The earned income tax exemption ceiling for salaried people would be raised from the current 20 percent to 30 percent, according to election pledges.

The ruling party also said that it would reduce the mandatory military service period to twenty-four months from the current 26 months.

The government would also provide compensation for privately-owned land that is not subject to market rates, such as that used by military facilities, the pledges said.

In areas where land prices are stable and there is little speculation, land owners would be allowed to sell land without obtaining approval from government administrators.

The NKP also pledged to legislate a law aimed at supporting defectors from the North, and to designate the Demilitarized Zone and the surrounding area a world peace and environmental protection zone.

ROK: Election Pledges Create Friction Between NKP, Government

SKD803071296 Seoul TONG-A ILBO in Korean
6 Mar 96 p 3

[FBIS Translated Text] Friction has been created between the New Korea Party [NKP] and the government over pledges for the 15th general election. The NKP had planned to announce all of its general election pledges at one time on 4 March. However, because of the differences reported between the government and the party, the NKP decided to announce the pledges gradually after 6 March when the election countermeasures committee is due to be formed.

Of the "100 tasks in 10 major areas" tentatively agreed on by the NKP, there are over 20 tasks that are causing friction with the government. The best example is the issue of reducing the length of service of active-duty soldiers.

The party has worked out a plan to reduce service by two months, from the current 26-months for active-duty servicemen and 28-months for reserve soldiers, respectively. However, the Ministry of National Defense [MND] disagreed by pointing out the recent security situation and the increase in the expenses for reserve soldiers' training.

Concerning this, Assemblyman Kim Chong-ho, the NKP's chief policy-maker, stated that "since this was a public pledge made by President Kim Yong-sam, the party would push ahead with the plan, even if the MND opposed it."

The NKP also revealed a plan to formulate "the basic law for reforming regulations" during the 15th-term National Assembly in a bid to relax various administrative regulations. Thus, the NKP intends to unify the work for relaxation and simplification of administrative regulations, which are scattered throughout government offices and agencies. However, the government maintained the position that the present legal system is adequate.

Differences also exist concerning the pledges on the economic area, including the plan to reduce the workers' income tax. Following the salary earners' claim that their tax rate last year was excessive, the NKP is reviewing a plan to increase the amount of income subjected to tax exemption with a view to reducing the income tax.

The Ministry of Finance and Economy expressed its opposition to the NKP plan, stressing that income tax revenues would be drastically reduced and uneasiness for price instability would increase as a result of economic depression.

Moreover, the NKP intends to reduce the number of items subjected to special consumption tax such as the one imposed on luxury items to restrain excessive consumption of luxury goods. However, the government is opposed to the NKP move, emphasizing that this would result in an enormous reduction in tax revenues owing to the abrupt readjustment of tax items, and would greatly affect the national economy.

ROK Rally Marks Inauguration of NCNP Election Headquarters

*SK0703131196 Seoul YONHAP in English
1148 GMT 7 Mar 96*

[FBIS Transcribed Text] Seoul, March 7 (YONHAP) — A mammoth rally on Thursday marked the inauguration of a general election campaign headquarters of the opposition National Congress for New Politics (NCNP).

The rally, held at the Chamsil Olympic Gymnasium, was attended by party President Kim Tae-chung and about 10,000 other party officials and members from across the country.

Among them were all the 218 party nominees to run in next month's general elections from their respective electoral districts.

Kim Tae-chung in a speech asked the party to strive all it can to win enough seats to contain the "arbitrariness" of the ruling camp.

"We should bring about a power balance between the ruling and opposition camps so that President Kim Yong-sam would no longer look down [on] the opposition," he said.

Party Vice President Chong Tae-chol and Guidance Committee Vice Chairwoman Chong Hi-kyong were selected as co-chairmen of the campaign headquarters.

The party plans to form three special stumping teams each headed by Kim Tae-chung, Chong Tae-chol and Kim Sang-hyon, chairman of the Guidance Committee, for campaigning especially in the Seoul, Incheon and Kyonggi Province areas.

ROK: NCNP Demands Government Neutrality in Election

*SK2402033096 Seoul THE KOREA TIMES in English
24 Feb 96 p 2*

[From the "Press Pocket" column: "NCNP Move"]

[FBIS Transcribed Text] The NCNP [National Congress for New Politics] yesterday decided to file a suit against president Kim Yong-sam for sending letters to those not related to election campaigns, such as business leaders, in violation of the Election Law.

The move was part of the party's decision to take legal action against officials involved in activities to support the ruling party.

The NCNP also made a firm resolution to take legal steps against the NKP's smearing of its president, Kim Tae-chung.

The party sent a delegation, headed by Pyon Chong-su of the Civil Rights Committee, to Prime Minister Yi Su-song and demanded government neutrality in the election.

ROK: DP Leader Outlines Views on National Affairs

*SK0703135396 Seoul YONHAP in English
1020 GMT 7 Mar 96*

[FBIS Transcribed Text] Seoul, March 7 (YONHAP) — Minor opposition leader Kim Won-ki Thursday afternoon called on President Kim Yong-sam to leave the ruling New Korea Party (NKP) to continuously carry out reform and eliminate regionalism and factional politics during the remainder of his term.

The co-chairman of the Democratic Party (DP) added that the forthcoming general elections would be "an interim evaluation of the Kim Yong-sam administration."

Kim Won-ki was the third party leader to speak at a forum sponsored by the Kwanhun Club, a senior journalists' organization, at the Korea Press Center. Leaders of the ruling and opposition camps have been invited to express their views on current national affairs.

The DP will clarify cases regarding presidential election and secret funds through hearings at the 15th General Assembly, Kim stressed, in a bid to wipe out irregularities and corruption.

"The April elections will be a turning point in deciding the direction the country will move towards: Namely, either towards divisiveness and conflict or towards integration and unity," Kim noted.

He added that regionalism, represented by the so-called "three Kims" and factional politics cannot be allowed to survive into the 21st Century.

The DP leader blamed top opposition leader Kim Tae-chung for having accepted bribes from former president No Tae-u who he said was "the very ringleader of the 1980 Kwangju massacre" and for dividing the DP when it was much larger.

Kim also blasted President Kim Chong-pil of the United Liberal Democrats, saying, "Kim Chong-pil, an originator of a putch and the author of an illegal

accumulation of wealth, should never be a leader in the coming century."

The DP is the only party capable of reforming "corrupt politics" and realizing national unity and democratic reform, he added.

On the reorganization of political circles, Kim opined, "Current political circles will be rapidly broken up or revamped when the influence of the three Kims' plummets after the general elections."

He added that his party will play a leading role in revamping the political structure in an effort to create a new political force that can substitute for the incumbent ruling camp.

On Friday, Kim Chong-pil's speech will conclude the debate session.

ROK: IPU Executive Committee Member Switches From NKP to NCNP

SK2502050396 Seoul THE KOREA TIMES in English
25 Feb 96 p 2

[FBIS Transcribed Text] Rep. Pak Chong-su, who was elected a member of the executive committee of the Inter-Parliamentary Union (IPU) last October, quit the ruling New Korea Party (NKP) yesterday.

Pak will join the main opposition National Conference for New Politics (NCNP) of Kim Tae-chung tomorrow.

"Rep. Pak accepted the proposal to join the NCNP made by Rep. Kim Sang-hyon, chairman of the party's guiding committee, at a recent IPU meeting in Romania," Pak told reporters. "A ceremony, to welcome his entering the party will be held on Monday," he added.

A close aide to NCNP leader Kim said Pak called on him at his home Friday evening to express his intention to join the main opposition party.

"The party will include him in the list of candidates for the proportional representative seats of the National Assembly," he added.

In an earlier statement, Pak, who had declared he would not seek reelection in the upcoming polls, said "After long consideration, I have made up my mind to leave the NKP to realign my future."

Political observers said Pak has his eyes fixed at the chairmanship of the executive council of the IPU.

Pak has been considered a strong contender for the post which will be up for grabs at the 97th General Assembly in Seoul early next year.

ROK: Problems with Political Polling Methodology Reviewed

962C0019A Seoul CHUGAN HANGUK in Korean
1 Feb 96 pp 32-37

[By reporter Yi Tae-kyu: "Unreliable 'Opinion Poll'"]

[FBIS Translated Text] The sun is having an argument with the moon. The sun insists that the world is bright and shiny but the moon maintains that it is dark.

We heard the following predictions early this year: "We may not gain a majority of local constituency seats but, counting the national constituency seats we will have, we still can be a majority party in the National Assembly." (the New Korea Party (NKP)) "Ridiculous! According to an opinion poll we had, we will be the No. 1 party." (the National Congress for New Politics (NCNP)) "We will stir up a cyclone and we will be one of the 'big three,' fair and square." (the Democratic Party (DP)) "You are divorced from reality indeed. For a reason or another, the three major parties will prove that there is little to choose between them. Although we may remain third, the difference with the top will be marginal." (the United Liberals and Democrats (ULD))

Four Parties, Four Different Polls

The four parties were predicting results of the general election scheduled for 11 April, in a self-centered manner as usual. The predictions all carried the label of opinion poll but, in substance, there were vast differences between them. The four different party colors resulted in the four different poll results.

Back to the argument between the sun and moon. Viewed from the position of each of the "two friends," their respective "views of the earth" is a hundred percent correct. But neither is true. Inasmuch as the day and night coexist, they are only half true. It is an illusion caused by the fact that each is destined to see only one side, not both sides. Are opinion polls free of a similar "fundamental error"?

See the case of the United States. It is so active and sophisticated with the opinion poll that it is called "heaven" or "zenith" of it. Still, it seems to have the same problem. Last year, the U.S. Administration and Congress clashed head on over the budget. A poll conducted by the Republican Party, which is in control of the Congress, showed: "You made an excellent decision. The government is obese. Put it on diet." But another poll conducted by the White House indicated: "You are doing right. You should spotlight the health care issue and thwart the congressional pressure." Both employed the same method called opinion poll, but

the results were diametrically opposed. This inevitably prompts one to ask "Which is the true poll?"

In politics, opinion poll is accepted as an "all-powerful key" to solving problems. But for opinion poll—a "map of public sentiment"—the upcoming 15th general election could be compared to a marathon race with runners running without a watch. Politicians make their decisions only after seeing poll results as if they were getting wisdom from a Delphian oracle. The poll-is-almighty thinking began with the 13th general election (held in 1988).

On 16 November (misprint of December) 1987, at 6:01 p.m., the Korea-Gallup forecast the results of the presidential election that had come to a close a minute earlier. It was a big gamble for the Korea-Gallup, because its business life was on stake. The predictions proved true, however, as each candidate, first of all, finished as predicted, and moreover the average margin of error was a negligible 1.5 percentage point.

With this as the watershed, the traditional way of forecasting elections by rule of thumb based on feelings gave way to the science of poll. Opinion poll thus was "enthroned" as the election yardstick. Various elections held since then, including the [1992] 14th general election and the 27 June [1995] local elections, were in a sense nothing more than the formalities to prove the power of opinion poll.

Nevertheless, the question still remains: Should we or shouldn't we trust opinion poll? Even those public opinion institutes in the United States known for accuracy were wide of the mark when they forecast a landslide for Democrats in the 1995 congressional elections. Public opinion institutes in the UK also suffered a blow to their reliability when they predicted the victory of Prime Minister John Major in the 1992 general election. Institutes in our country in particular have failed to maintain a high level of reliability in general. They forecast a 94.1 percent voter turnout in the 14th general election, a figure that proved to be higher than the actual turnout by a whopping 22.2 percentage points.

Seven Reasons for Distrust of Opinion Poll

1. Interpretation

Stretching Favorable Result, Cutting Unfavorable

"Reliability" of public opinion institutes depend on how good they are with their interpretations of poll results. Pollsters reading the same results could come up with entirely different interpretations.

In opinion polls in our country, the percentages of people having no answers are particularly high. Of the interviewees, 30 percent to 40 percent have no answers to questions (saying, for instance, "I don't know"). To questions of sensitive nature, the percentage could even be over 50 percent.

With regard to the 27 June [1995] Seoul mayoral election that handed a crushing defeat to the ruling party, analyses later showed that self-centered interpretations were a factor contributing to the defeat. A report of the National Security Planning Agency [NSPA], delivered to Chongwadae immediately before the election, was said to have shown candidate Cho Sun leading at 31 percent, followed by Chong Won-sik at 30 percent or only 1 percent behind Cho, and Pak Chan-chong trailing them at 27 percent. At the time, however, surveys by all other public opinion institutes showed candidate Pak Chan-chong, the front runner by then, having been edged out by Cho Sun and fallen to the second place, with Chong Won-sik trailing Pak by a margin of more than 10 percent. The misleading report showing Chong Won-sik fighting a close contest, against the fact that he had never been even within the range of being elected, was caused by the wrong, self-centered interpretations about poll respondents who had no answers. High officials, relying on the NSPA report, urged the ruling Democratic Liberal Party [DLP] to step up its campaign. But Chong Won-sik stayed third from the beginning to the end.

Interpretations by media, which do not specialize in opinion poll, sometimes go to the length of distorting results. In early 1995, when constitutional amendment debate first came up, a poll conducted by a certain newspaper showed that voters favoring cabinet system as the desirable form of government for our country outnumber those favoring presidential system. Of the less than 1,000 persons polled, 35.1 percent were found favoring presidential system and 36.3 percent cabinet system. In this case, however, even if the size of samples is increased to 1,500 persons, the maximum margin of error allowed is plus or minus 2.53 percent (reliability 95 percent). In other words, if 1,500 persons are picked and polled from a population of more than 20 million, it is a legitimate poll with a 95 percent reliability, or a margin of error of only plus or minus 2.53 percent, if only the selection of samples is done correctly. If so, while the newspaper poll showed 35.1 percent of voters supporting presidential system, there is a 95 percent probability of the support rate falling between 32.57 percent and 37.63 percent should all the voters in the country be polled. (And the support rate for cabinet system, between 33.77 percent and 38.73 percent.) Therefore, the interpretation that voters prefer

cabinet system was one ignoring the margin-of-error factor. The correct interpretation was: "In our country, voters favoring presidential system and those preferring cabinet system are about the same in number."

2. Client and Questionnaire Paper

Desire for Numerically Expressing "Wish"

A recent study shows that questionnaires produce vastly different results depending on the wording, namely, the selection of words and their order. In a recent poll in the United States, to the question "Which do you find more interesting, American football or tennis?" 77 percent picked tennis, while to the question "tennis or American football?" 65 percent chose American football.

Also, to the question "Do you think that the car is a bigger factor of air pollution?" 45 percent of the polled answered Yes (against 32 percent picking the manufacturing industry as a bigger factor.) But to the question "Do you think that the manufacturing industry is more responsible for air pollution than the car?" 57 percent answered that it is. (In this case, 24 percent picked the car.)

The questionnaire is made by the client from the beginning or by consultations between the client and the pollster. In either case, it cannot be free from the client's intent. In the 1992 presidential election, public opinion institutes made statements seemingly designed for public relations of the camps to which the candidates belong. Poll data for the DLP side showed Kim Yong-sam leading Kim Tae-chung by a whopping 15 percentage points. But those for the Democratic Party [DP] side suggested a close contest. Meanwhile, those for the United National Party [UNP] side showed the UNP candidate [Chong Chu-yong] in the second place while other polls all showed him in the third place.

Yi Yong-chae, chairman of the Korea Marketing Research Development Institute, made it clear that his institute strictly avoids political polling, which has lately created a boom in Korea. He said that he chose to give it up entirely because he frequently found himself in a situation compelling him to recklessly issue an indulgence for the client's intent. "Most of the questionnaires made by clients," he said, "usually contain many questions deliberately designed in favor of their intent. The danger of 'data cooking' is big."

Yi said: "Since public opinion institutes in our country are mostly operating on an extremely small scale, it is realistically difficult for them to shun clients who are looking for data cooking. Only a handful of them are big enough to be free from their influence."

3. Method, Timing

Opinion Cycle Shorter Than Half Month

In opinion poll, the same sampling process sometimes produces different results. It is because there is a difference between polls in the degree of faithfulness.

Lately, telephone interview has become a popular form of opinion poll, for the reasons of time and budget. It is also because the high telephone diffusion rate, close to 95 percent, has made sampling easier. In this case, however, the opinion of the 5 percent having no telephone is inevitably excluded from the beginning. Also, the rate of households having telephones varies by region, a fact casting doubt on how representative the samples picked are. Furthermore, although a 100 percent reliability is required of the telephone directory of the population, the reality is that the latest available directory is usually used for convenience's sake.

Even when everything goes right through the process of random sampling of telephone numbers, there still is the problem of the rate of response to telephone interviews, which remains extremely low. In our country, it is said that the rate of the sample picked for the first time responding to telephone interview is only 10 percent. In the United States, a half to one third of the samples refuse to answer the phone or respond to questions.

Currently, pollsters insist that this problem has no significant effects on the results. But (Warren Miltopersky), the pollster who was the first to introduced the telephone interview method, actually conceded in the latest issue of U.S. NEWS AND WORLD REPORT that along with other problems, it is a blind spot of telephone interview. According to him, the interviewer and interviewee are unable to identify each other as they cannot see each other's face and, as a result, the interviewee is unwilling to speak from the heart. George Gallup is also wary of telephone interview, viewing it as the most unreliable method.

In opinion poll, it is realistically difficult to correctly reflect the strength of each voice, "affirmative" and "negative." The 1994 by-elections in Kyongju and Taegu typically demonstrated this blind spot. Polls had confidently predicted victories for the ruling party. They were of course based on arithmetic computations that failed to take into consideration the intensity of the voter opinion. Among the voters who cast their ballots on the election day braving the muggy weather, there were more of those who were "absolutely opposed to the ruling party." As the result, the minority "die-hard opponents" beat off the majority "so-so proponents."

Answers to the same questions can vary depending on the timing. On the daylight saving time put in effect

on 10 May 1987, a poll conducted prior to the enforcement (by the Ministry of Government Administration) showed an absolute majority (73 percent) supporting it. But the support fell to 47 percent in another poll conducted after the enforcement (by the Korea-Gallup). At the time of the three-party merger in 1990, the support rate shifted back and forth between 60 percent and 40 percent. A poll in January 1989 showed 19 percent of Americans citing drug as the biggest problem for the United States; 9 months later, as drug-related debate swept the American society, the percentage shot up to 53 percent. And in 1990, when the drug problem had not yet been given enough time to show any improvement, again only 16 percent were found still viewing drug as the biggest problem.

Dr Yi Pyong-tu, head of the marketing research section of the Hyundai Economic Research Institute, said that "an opinion poll only represents opinions existing at the time of the polling. Public opinion can change in half a month time." "Poll data not sustained by follow-up surveys should neither be disseminated nor relied upon as public opinion at any time," he stressed.

4. Poll by Sampling

Distorted Representativeness

A blood test does not require blood so much as a liter. Likewise, an opinion poll can "hardly make an error" even if it is conducted only on 500 persons. These are pollsters' words. But there is one condition to prove them right. It is that the random method is used for sampling and the poll is conducted accurately.

The first step in opinion poll is the random sampling. A survey done outside this principle can hardly be reliable. In general, the margin of error in opinion poll by surveying 1,000 persons is plus or minus 3 percent, meaning that the probability of unrepresentative samples being picked in the process of sampling by the random method is plus or minus 3 percent. In reality, however, the rate of distortion in the representativeness of samples is greater than that.

Opinion poll in our country, in many cases, picks approximately 1,000 persons as samples. In these cases, however, the public opinion in Kangwon and Cheju provinces is not included. It is because the number of samples in each of these provinces is either small or even zero sometimes. The million voters in Kangwon Province are represented by 7 to 20 voters, and the 300,000 voters in Cheju Province by zero to 7.8 voters. These numbers are said to be based on demographic ratios. Thus, in the case of Cheju Province, it does not even have a chance of being polled. It is because it represents only 1 percent of population and, therefore,

does not change the result of a poll even if it is included in the sampling, they say. Even of the few samples, it is difficult to expect that they would be examined properly. Under these circumstances, the reliability would inevitably be questioned if it is an opinion poll dealing with issues of regional segregation or regional animosity.

5. Interviewers

Doors Opened Only to Housewives in USA, College Girls in Korea

An opinion poll conducted recently in the United States on the argument that "abortion is a private matter that should be determined free of interference by the government," using male and female interviewers, produced different results by the sex of interviewer. To male interviewers, 70 percent of male respondents and 64 percent of female respondents showed agreement; in case of female interviewers, 77 percent of male and 84 percent of female respondents showed agreement.

Public opinion institutes in our country boast that they provide most part-time jobs to college girls. In fact, interviewers are mostly college girl part-timers. The reason is that male interviewers more often than not fail to get interviewees to open their hearts to them. It is also because, under the circumstances that professional interviewers do not exist, the use of college girls makes it possible to reduce the margin of error by the interviewer as much as possible and cut the cost at the same time. However, common among professional pollsters these days are complaints about new-generation college girls. Chairman Yi of the Korea Marketing Research Development Institute questioned the sense of responsibility on their part. College girls "show little enthusiasm when searching for samples or doing their interviews," he said.

Poll data are influenced not only by the sex but also the qualification of the interviewer. Yi Song-ho, senior researcher of the (?Lease P.R.) Research Institute, picked good common sense and knowledge as the first requirement of interviewers. He said that only when interviewers meet this requirement, and when they do not give up if they fail to get answers the first time but show the tenacity of keeping trying, for the sixth or seventh time, it is possible to have reliable polls. At the same time, however, Yi noted the more realistic limitations, saying that "we may find such qualified interviewers but it is still impossible to think that they will be willing to trudge remote villages in Kangwon Province looking for their samples for the meager pay."

6. Respondents

Who Know Thoughts of the Silent Majority?

Pollsters most dislike respondents saying one thing but thinking another, and those lacking sincerity. The more uncommitted voters and the more no-answer respondents, the lower gets the reliability of opinion poll. Many pollsters primarily link the reliability to the honesty of respondents.

As is known, the 1992 general election, like the previous election in 1988, reduced the ruling party to the status of a minority in the National Assembly. The DLP won only 149 of the 299 seats. In sum, the election brought "a crushing defeat to the DLP, a victory to the DP, a gust to the UNP, and a big leap forward to the independents." The results baffled pollsters, as their forecasts—that the DLP would easily win a stable majority but the UNP would be unable to gain enough seats (20) to win a bargaining position in the National Assembly—proved wide of the mark. Analyses later attributed the erroneous forecasts to the considerably high percentages of uncommitted votes. At the time, defining the uncommitted voter, No Kyu-hyong, R&R president, said: "They are against the ruling party, yet exhibit no inclination toward the opposition. They can even choose the independents. They are irregular with their choices. They tend to be temporizing with their interests and their decisions are influenced by the atmosphere surrounding them." If predictions should still hit the mark under such conditions, it would be a miracle indeed.

There were people who were put in an uncomfortable situation in the past because of the opinions they had expressed. This led to the appearance of the silent majority. In answering questions, they are afraid of the consequences. It is known that interviewees with this type of experience tend to respond to questions from an angle of what should be desirable for society instead of speaking up their own, genuine preferences. When asked on what basis they select their candidates to vote for, they would cite the candidate's qualification, but when casting their ballots, they usually vote on the basis of the party the candidate belongs to. Furthermore, to the question of whether they will vote or not, they would answer—not from their hearts but from a sense of obligation—that they will; actually, however, they would not go to the voting places.

Besides all these points, respondents in our country are characteristic in many other ways. Men show much greater interests in political issues than women do; the rate of response is similar between men and women; respondents of less education more often answer "I don't know." By age, younger generations are for Western

values, and senior citizens for conservative, traditional values. Chairman Yi of the Korea Marketing Research Development Institute said that urban residents respond to opinion poll more positively than rural residents, and that consequently, poll data reflect more of the urban population's views than the rural population's. "An interesting phenomenon," he said, "is that even with samples in provinces other than South and North Cholla, they produce entirely different results depending on how many in them are from the Honam region."

7. Realities

Money and Accuracy

There are more than 30 public opinion institutes in our country, including the Korea-Gallup, Korea Research, Korea-Nielsen, (7Lease P.R.), R&R, and East-West Research Institute. If the lesser ones that come and go with election seasons are taken into account, the number will exceed 100. But they are all small in size; only five of them have more than 30 professional researchers, and three more than 50. The market, which is only one tenth of the U.S. and Japanese markets in size, was estimated at 40 billion won [W] for 1994, and W50 billion for 1995. Businesses in our country use 0.5 percent of their advertising expenditure for research purposes. In the advanced nations, the figure is 4 percent. It is a persuasive argument that institutes in our country have problems in practical areas although they have reached high levels in their polling standards and methods.

In this reality, many difficulties confront them in producing sustained, voluminous forecasts on the major trends of political support by region, by party, and by party. The expenses and manpower constitute the first stumbling block.

Opinion poll expenses consist of the actual cost, including the labor, and a margin of approximately 35 percent. On this basis, the expense for the door-to-door interviewer is W20,000-W30,000 per sample, depending on the difficulty of the approach to the sample; in case of telephone interview, it is W12,000-W20,000. However, the dumping practice, combined with the "Korean way" of calculation that has taken root because of the lack of understanding on the part of clients, brought the rates down to only W15,000 and W7,000-W8,000 per sample, respectively. Moreover, in case the client loses the election, the institute cannot expect to be paid beyond the 50 percent advance payment they already received.

Public opinion institutes unanimously say that "the accuracy of a poll is determined by the money spent." Interviewers express agreement. One of them, a university student, said that "when the pay is good, we would

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go to interview the sample, three or four times if necessary; when it is not, we just do it in the customary way." The student then revealed what the customary way is. He said: "In case interviewees live in an apartment, it is difficult to have them open the door. So, we just go to nearby stores to find substitutes and finish the job there. In case of women interviewees, we run to cultural centers where ladies are usually gathered."

An Interview With Korea-Gallup Director Pak Mu-ik

There Is No Alternative to Opinion Poll

Pak Mu-ik, 53, founded the Korea-Gallup in 1974. At the time, the opinion poll industry in our country was a virtually barren land. As its pioneer, he has since been the leader in this field. Currently, the Gallup is accompanied by its nickname, "Tweezers." Its predictions reported by MBC immediately after the voting came to a close in the 27 June [1995] local elections showed amazingly high levels of accuracy.

In Pak's memory, the only time the Gallup predictions missed the marks was in the 1994 by-elections in Kyongju and Tangu, which were later called a voter rebellion. This strength of the Gallup organization, he said, lies in the know-how it has developed in analyses of the no-answer respondents who account for nearly 40 percent.

In his view, opinion poll is the "most powerful and inexpensive weapon." That is why, he says, it should be relied on and it should maintain a high level of accuracy. Pak maintains that so long as we are unable to find a better way of measuring public opinion, we should hang on to it even if it has some flaws, and endeavor to find ways and means to enhance its reliability.

Pak notes a three-point rule as a way to that end—the nationwide survey, the random sampling, and the accurate conduct of interview. As to whether this rule is being observed by public opinion institutes in the country, he is skeptical. He said: "Only five or six institutes have nationwide networks, including the Gallup and Korea Research. As long as they operate on an extremely small scale as they do now, it is impossible to expect them to observe rules and ethical standards."

Pak has been airing some of his "grievances" to society. First, on the "money" issue, his observation is that with the currently accepted way of figuring out expenses, it is difficult to avoid errors lurking behind the polling processes. Citing the reason, he says that at a time when the war on deviation requires investment for maximum expenses, clients persist in minimum expenses. According to him, "even if you disregard the dumping caused by

institutes overcrowding the field, still the current opinion poll expenses in our country are even cheaper than those in Hong Kong and Taiwan."

Pak's another demand is for legalization of the polling of the support rates for candidates during elections, which he sees as the essence of opinion poll. But the present Presidential Election Law and the National Assembly Election Law ban a popularity vote or mock vote designed to predict who would be or would not be elected.

Pak said: "The laws mean elections held in the darkness, elections driving voters into madness. Democracy is fundamentally based on the public disclosure of process. If analyses are made available on how much support a candidate is drawing, and for what reasons, it will help both voters and candidates in selecting the candidate to vote for and in making campaign plans, respectively. This we call fair elections. Spending no money alone does not necessarily guarantee fair elections." For these reasons, elections unaccompanied by opinion polls are nothing more than a political show of people with louder voices, he declares. The fact that louder voices do not represent the main trends of public opinion was proved in the 1987 presidential election. At the time the Gallup showed that opinion poll can serve as the mouth and ears for the silent majority.

Regarding the fears that if the popularity rates of individual candidates are made public during the campaign period, voters will show the herd instinct to be on the side of the winning candidate (the bandwagon effect), Pak says that it is "nothing more than a theory." As examples, he cites U.S. presidential elections. "In each of the past 16 presidential elections, the Gallup organization kept reporting the popularity rates of candidates during their campaigns. If the bandwagon theory were correct, the gap between the Democratic and Republican candidates should have widened as they pressed on their campaigns, but the fact was that it became narrower each time. The reason could be, in part, that the trailing candidate could take countermeasures based on poll data. "More importantly," he notes, "it was because the underdog effect of people sympathizing with the losing side and the bandwagon effect offset each other." The Constitutional Court ruled in July 1995 that the election laws banning the public disclosure of opinion poll data are not unconstitutional.

ROK Civic Groups Warned: Campaigning Violation of Election Laws

SKD803085096 Seoul YONHAP in English
0647 GMT 8 Mar 96

[FBIS Transcribed Text] Seoul, March 8 (YONHAP) — The Central Election Management Commission (CEMC) announced Friday that campaigns by civic organizations supporting or opposing a particular candidate running for office in the 15th general elections are a violation of current election laws.

The CEMC also said that these same organizations are prohibited from participating in fair election campaign activities by the current election laws.

The CEMC plans to control any illegal election campaign activities that civic organizations might conduct in the name of fair election campaigns.

The announcement of the election campaign watchdog came after the Federation of Korean Trade Unions (FKTU) recently decided to support those candidates who actively support the labor movement.

In addition, eight civic organizations including the Citizens Coalition for Economic Justice (CCEJ) are planning to work to defeat the candidates involved in Dec. 12 military coup and May 18 bloody suppression of Kwangju democratization uprising in the upcoming general elections.

The 15th general elections are scheduled to be held on April 11 this year.

The CEMC said it has sent official messages to the eight civic organizations, asking them not to campaign against particular candidates.

ROK To Protect Agricultural Industries From Market Opening

SKD703115296 Seoul YONHAP in English
0702 GMT 7 Mar 96

[FBIS Transcribed Text] Seoul, March 7 (YONHAP) — The South Korean Government will increase its efforts to protect the domestic agricultural and livestock industries from the effects of opening its market to 31 agricultural, fishery and livestock items beginning July 1 of this year.

The Ministry of Agriculture, Forestry and Fisheries plans to use a special emergency tariff system to discourage excessive importation of liberalized items, ministry officials said Thursday.

The ministry is going to apply the adjustment tariff system flexibly on selected items to prevent cheap

agricultural and fishery products from flooding the market.

The government is also going to further reduce tariffs on imported food grains and raw materials for farming, to boost the competitiveness of the domestic agriculture and livestock industries.

A computerized monitoring system is also being planned so officials can keep track of the volume of liberalized agro-fishery and livestock products imported on a daily basis.

The 31 products that will be liberalized in July include condensed milk, butter, lactose, artificial honey, processed peanuts, cocoons, canned and frozen mackerel and grand mackerel, frozen liver, bonito and flat fish.

ROK: KEDO To Invite Bids for Separate Portions of Contract

SKD803011696 (Internet) The Joong-Ang Ilbo WWW in English 96

[FBIS Transcribed Text] The Korea Peninsula Energy Development Organization (KEDO) has decided to invite bids for separate portions of the contract instead of a lump sum contract for the building of a 4 billion dollar light-water reactor in North Korea.

Now the concern is whether or not South Korea might miss out on the chance to assume a key role within KEDO. With the new contract system, there are chances that key construction projects, such as those for turbines and generators, could be awarded to Japan or the European Union.

ROK: Guidelines Issued for Foreign Construction Firms

SKD803042096 Seoul YONHAP in English
0147 GMT 8 Mar 96

[FBIS Transcribed Text] Seoul, March 8 (YONHAP) — Foreign construction companies that receive a license to do business in South Korea after the public construction market opens next year, will be required to employ either engineers that reside in Korea or those who are qualified to visit the country at any time.

Other qualifications, including the amount of capital, number of engineers and equipment required, will be the same as for their domestic counterparts.

These are highlights of the guidelines that have been prepared by the Construction and Transportation Ministry in anticipation of the public construction market opening slated for next January.

The guidelines will be reflected in amendments to the decree implementing the construction business law that

will be enacted the first half of this year, ministry officials said.

Under the new rules, foreign construction companies will be required to employ at least 10 engineers — five construction engineers and five civil engineers — to be issued a business license, just as domestic firms are.

They must also have 1 billion won (approximately 1.3 million U.S. dollars) in assets — 500 million won for construction and 500 million won for civil engineering — and have the necessary construction equipment in Korea, as is the case for their domestic counterparts.

Foreign firms, when issued a business license, must contribute a fixed amount of money to Korea Construction Financial Cooperative as a full member, as their Korean counterparts do.

Foreign companies who meet all of the requirements will be issued a business license in July or August when the ministry will renew the licenses of domestic firms, provided that they have an office in Korea, the officials explained.

Approximately 90 foreign construction and civil engineering consulting companies are already working on private construction projects in Korea, either through domestic subsidiaries or joint-ventures with domestic firms, according to the ministry.

ROK: Investment Liberalization, Net Capital Inflow Noted

*SK0403015996 Seoul YONHAP in English
0120 GMT 4 Mar 96*

[FBIS Transcribed Text] Seoul, March 4 (YONHAP) — Foreign investors brought 863 million dollars into the country and took 542 million dollars out, for a net inflow of 321 million dollars, last month, according to the Bank of Korea.

The net inflow was up 141.4 percent from January and a monthly high since last September's 679 million dollars.

The inflow of foreign money began increasing in late January, and the net inflow for the first two months of the year reached 454 million dollars. This brings the cumulative total since 1992, when the stock market was first opened to foreign investors, to 12.56 billion dollars, the central bank said.

The steady increase in net inflow is attributed to the government's plan to increase the ceiling on foreign investment from the current 15 percent to 18 percent of a company's capitalization beginning April 1.

Because of the downward trend in international interest rates and the general view of foreign investors that Korean stocks are undervalued, there is increasing

interest in such newly-emerging capital markets as South Korea.

ROK: Halla Group, EDS Communications of U.S. Sign Accord

*SK0503054796 Seoul THE KOREA HERALD
in English 5 Mar 96 p 8*

[FBIS Transcribed Text] The Halla Business Group has signed a technology cooperation agreement with EDS Communications of the United States for international telephone business, a Halla spokesman said yesterday.

EDS Communications, which has a global network, is the world's leading consulting firm in the information and communications sector.

Halla plans to invest 60 billion won on the establishment of a communications firm, tentatively called Halla Telecom, at the earliest possible time, the spokesman said.

Halla will pour about 1 trillion won by 2000 in the telecommunications field, he said.

ROK: Kumho Group Opens Internet World Wide Web Site

*SK2902051396 Seoul THE KOREA TIMES in English
29 Feb 96 p 8*

[FBIS Transcribed Text] The Kumho Group will open a site on the Internet's World Wide Web as well as on Korea PC Telecom's HiTel business forum plaza using Korean, English and Chinese starting March 1, the corporation said yesterday.

The site has links to the home page of each of Kumho's six major subsidiaries, including Asiana and Kumho Tires, a spokesman said.

Kumho seeks to attract computer users, by featuring quizzes and raffles with prizes, event corners, etc.

The Universal Resource Locator (URL) address for the Kumho Group's web site is "http://www.kumho.co.kr" and "http://www.asiana.co.kr" for Asiana Airlines.

ROK Contributes Over \$10 Million to UN Budget in 1996

*SK0703062096 Seoul YONHAP in English
0604 GMT 7 Mar 96*

[FBIS Transcribed Text] New York, March 6 (YONHAP) — South Korea has contributed its share to the United Nations' 1996 budget and the UN Peace-keeping Operation (PKO), the UN Secretariat said on Wednesday.

Seoul contributed 8,891,966 U.S. dollars to the UN budget this year and 1,323,245 dollars to the PKO.

The South Korean share amounted to 0.8175 percent of the 1,134,628,998-dollar UN budget for this year, up from last year's 0.80 percent, and 0.1641 percent of the total PKO budget, according to the secretariat.

Of the 185 countries that belong to the U.N., 37 had contributed 233,653,445 dollars — or about 20.6 percent of the 1996 budget by Wednesday.

ROK Applies to UN To Join Grains Trade Convention

SK0403065796 Seoul YONHAP in English
0501 GMT 4 Mar 96

[FBIS Transcribed Text] Seoul, March 4 (YONHAP) — South Korea Monday submitted an application to the United Nations Secretariat to join the Grains Trade Convention (GTC) which is an advocate for grain importers that prevents grain exporting countries from dominating the world market, a Foreign Ministry spokesman said.

The convention adopted in July, 1995, in London, calls for the world's major grain importing countries to form a united front against grain exporters by exchanging grain market information and seeking ways to thwart efforts by grain exporters to control the market, the spokesman said.

It also aims to guarantee stability and free trade in the world's grain market.

Convention signatories are also required to make regular reports on the amount and terms of their grain imports and exports.

The convention secretariat can take actions based on the reports in cooperation with the United Nations, international governmental and non-government organizations.

The GTC is going to replace the wheat trade convention which was adopted in 1986.

ROK: FTC Fines Hanwha for Abuse of Monopolistic Power

SK2902045296 Seoul THE KOREA TIMES in English
29 Feb 96 p 9

[FBIS Transcribed Text] Explosives material maker Hanwha has been warned for abusing its monopolistic power to regulate the entry of new competitors, the Fair Trade Commission [FTC] announced yesterday.

In a move to bar emerging rival Koryo, Hanwha asked all its distribution agents not to sell non-Hanwha products. One of its major clients, Daelim Engineering was guaranteed a below-market price on condition

that Daelim buys only Hanwha explosives materials, FTC said. Hanwha was slapped with a 1 billion won penalty. The commission asked the government to open the domestic explosives material market to foreign competition ahead of the originally-scheduled 1999.

ROK Civil Disaster Rescue Team Planned To Service Seoul

SK0803030296 (Internet) The Digital Chosun Ilbo
WWW in English 1227 GMT 7 Mar 96

[FBIS Transcribed Text] A rescue team, with the special objective of being mobilized to save human lives in the case of large-scale civil disasters will be formed later this year to service the city of Seoul.

The headquarters of the Seoul City Fire Department announced Thursday that a "119 Special Rescue Team" comprised of 31 members, including those with experience from the army and special force and also chemical and explosive experts, will be constituted from the beginning of July this year. The Team will be organized into four separate units: field command, life-saving, equipment operation and technical support.

These thirty men (excluding the Commander of the Team) will be split into two and work on a one day on, one day off, 24 hour shift basis.

ROK Court: Reinvestigation of 1979, 1980 Cases Constitutional

SK0103071196 (Internet) The Joong-Ang Ilbo WWW
in English 1 Mar 96

[FBIS Transcribed Text] The Constitutional Court has decided that prosecutors' re-investigation of the December 12, 1979 military mutiny and May 18, 1980 military crackdown on Kwangju anti-government protesters as well as the prosecutions of key perpetrators in the two cases including ex-Presidents Chon Tu-hwan and No Tae-u are not unconstitutional.

The Constitutional Court's 9-judge panel unanimously rejected on Thursday February 29 a constitutional appeal filed by 28 people including Chon and No who claimed prosecutors' re-investigation and prosecution were illegal.

ROK Prosecution Indicts 5 More Involved in Kwangju Incident

SK2802041996 Seoul YONHAP in English
0158 GMT 28 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 28 (YONHAP) — Five more former military officers who allegedly played key roles in the 1979 coup d'etat and the 1980 brutal

crackdowns on demonstrators in Kwangju were indicted Wednesday.

Former 20th Division Commander Pak Chun-pyong, former Commander of the Capital Garrison Command's 30th Security Group Chang Se-tong, and former Commander of 3rd Airborne Brigade Commander Choe Se-chang were among those indicted for their alleged roles in the two incidents. The trio had already been arrested on insurrection charges Feb. 21.

The remaining two — former Deputy Military Police Commander of the Capital Garrison Command Sin Yun-hui and former 15th Battalion Commander of the 3rd Airborne Brigade Pak Chong-kyu — were charged without physical detention.

The five brought the number of people indicted thus far in connection with the two military incidents to 16, including former Presidents Chon Tu-hwan and No Tae-u.

ROK: Chong Requests Court To Set Bail for Release From Jail

SK0803035596 Seoul YONHAP in English
0238 GMT 8 Mar 96

[FBIS Transcribed Text] Seoul, March 8 (YONHAP) — Rep. Chong Ho-yong, arrested on insurrection charges

for his role in the May 18 incident in 1980, requested that the court set bail Friday, so that [he is] released from jail.

In the brief submitted by his lawyer Yi Chin-u, Chong claimed that he should not be tried for insurrection because he was only doing his job according to the expansion of martial law which the president proclaimed during the incident.

He said he went to Kwangju in May 1980 after receiving orders from the martial law commander, and added that the suppression of Kwangju demonstrators was inevitable given the social unrest at the time.

He also stressed that the statute of limitations for indicting him on insurrection charges expired before the prosecution began legal proceedings against him.

In late January Chong was charged with insurrection for actions taken as commander of the paratroopers deployed to Kwangju to control the pro-democracy demonstrations.

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Burma

Burma: Current Positions, State of Karenni Forces Discussed

BK0803055996 Bangkok THE NATION in English

8 Mar 96 p A12

[Report by Aung Zaw: "Karennis Backed Against The Wall"]

[FBIS Transcribed Text] Last year, Burmese military intelligence chief Lt. Gen. Khin Nyunt travelled to Kayah state and met Karenni insurgents to discuss the signing of a ceasefire agreement with the ruling junta, the State Law and Order Restoration Council (SLORC). At a dinner party, Khin Nyunt declared peace would prevail in Kayah state with the return of the Karenni National Progressive Party (KNPP) to the "legal fold."

A few months later fierce fighting broke out between the Karenni force and government troops. Initially, observers attributed the cause of fighting to the lucrative trade in teak across the Thai-Burma border. "What they [SLORC] want is to control the logging trade and secure strategic points along the border," said an observer in Mae Hong Song. If that was their aim, the military has nearly achieved it. The government forces have now secured almost all the strategic points and lucrative economic areas in Kayah state, including May Yu and its subordinate trade offices.

Nevertheless, Karenni officials maintain the fighting broke out mainly because of political reasons.

"Shortly after we went back to the 'legal fold' we declared we would continue to struggle for our political objectives," said Raymond Htoo, KNPP secretary general, claiming this was the main reason for the upsurge in fighting.

Whatever the reason, the Burmese military government now appears poised to launch its biggest offensive yet against the Karenni rebels.

Since the beginning of the year, SLORC has sent truckloads of troops to Kayah state and now has 27 battalions deployed in the area, KNPP sources said.

In January, the KNPP lost a key mountain ridge including "Rambo Hill" and now controls just three strategic hills: Ta Yoke (Chinese), and Nonglon I and II hills. The KNPP's frontline positions have been reinforced by about 100 soldiers from the All Burma Students Democratic Front (ABSDF).

The speculation in KNPP-controlled area is that SLORC is determined to oust the Karenni insurgents before Armed Forces Day, which will be held in Rangoon on March 27. "So all [SLORC] commanders are working against the clock," said an ABSDF member.

"If they are serious about wiping out the KNPP they could do it in a few weeks," he said. For the past few months SLORC has been shelling KNPP positions almost daily with 81 mm and 120 mm mortars. The Burmese generals have committed about 1,500 foot soldiers to the frontline but the Burmese forces so far have sustained heavy casualties, according to KNPP sources.

On Tuesday, SLORC soldiers began advancing on the Nonglon hills situated on the Thai-Burma border.

"If there is a strong offensive, they won't resist it. They will withdraw and attack them [SLORC] from the back," said a Karenni source.

Already the Karenni rebels have carried out a number of surprise assaults, the biggest one being an attack on an army check-point near Loikaw, the capital of Kayah state, where they demolished a small overpass.

At present, the KNPP is without a headquarters after withdrawing from their main camp at Kauk Kank. As a result, KNPP military leaders say they no longer need to worry about losing the remaining hills. "Their last tactics will be hit-and-run guerrilla warfare" said a KNPP source.

This will be difficult for SLORC to contain because they cannot seal off the border with Thailand. But SLORC also has friends in Kayah state, namely the KNPLF (Karenni National People's Liberation Front) which has been cooperating with SLORC after signing a ceasefire with the junta a few years ago.

The question that remains is whether there can be a negotiated end to the fighting.

"No, it is impossible," said a KNPP member in Mae Hong Song. The KNPP sent a delegation to Rangoon in December but the talks were a failure. "Still, it would be better to solve our problems at the table, not at the battlefield," said the Karenni man.

The only other insurgent group that remains outside the legal fold is the Karen National Union (KNU) and they are currently talking to Rangoon. A negotiating team under senior leader Padoh Mahn Shar Lar Pan recently returned from Rangoon where they held talks with Burma's military leaders including Lt. Gen. Khin Nyunt. The KNU delegation proposed a 12-point proposal paper but SLORC officials rejected five of the Karen demands. Karen leaders declined to discuss the talks but a KNU source in Mae Sot said one of the demands turned down by SLORC was a call for a nation-wide ceasefire.

Most Burma observer believe sooner or later the Karen will have to cut a deal with SLORC. "Karen leaders

foresee conflicts and problems and they are going cautiously and step by step," said the Mae Sot observer. SLORC watchers in the border towns, however, warn that if KNU drags its feet too long it will face a new SLORC offensive. Rangoon has already deployed troops in the Karen towns of Tsanggoo.

"The message is clear. If you don't make peace with us, we will force you to make it," said the KNU source.

The KNU is not without trouble. In areas under their control they have come under repeated attacks from the Democratic Karen Buddhist Army (DKBA), a splinter Karen group backed by SLORC. The DKBA have attacked Karen refugees loyal to KNU and many Karen refugees on Thai soil have been either gunned down or abducted by DKBA troops.

At the beginning of the February, fierce fighting broke out between the KNU and DKBA and the KNU claimed they were beginning to gain the upper hand over the renegade group.

When asked whether there would be a new round of fighting between the KNU and SLORC troops in Karen state, the KNU source said:

"The battle has already started — DKBA is SLORC, SLORC is DKBA. Peace in Karen State is millions of miles away."

Brunei, Malaysia & Singapore

Malaysia's

Malaysia: Minister Urges Investors To Grow Rice In Burma

BEK0603134236 Kuala Lumpur NEW STRAITS TIMES in English 5 Mar 96 p 10

[Unattributed report]

[FBIS Transcribed Text] Kuala Lumpur, Mon. — Malaysian investors are invited to produce rice in Myanmar [Burma] as one of the strategies to ensure adequate rice supply.

Agriculture Minister Datuk Amar Dr Sulaiman Deud said Myanmar was willing to accept Malaysian investments in rice production and other agricultural activities.

"Though we are producing rice, we face problems. There are times when the suppliers are unable to provide adequate supply. Sometimes they increase the price."

He was speaking at a joint Press conference with Myanmar's Minister of Livestock Breeding and Fisheries Brig-Gen [Brigadier General] Maung Maung, who is on an official visit to Malaysia with seven senior officials.

Dr Sulaiman said it was up to the National Padi [paddy] and Rice Corporation (Bernas) now to explore the possibilities of producing rice in Myanmar.

"The ministry encourages the private sector to take up the offer. With our shortage of labour, high production costs and competition for land, we need to explore other areas for rice cultivation," he said.

He added that the ministry would assist Malaysians keen on investing in padi cultivation, and aquaculture and livestock industries in Myanmar.

Maung said incentives for foreign investors included tax exemption for the import of equipment and raw materials.

"The first three years are tax-free. There is also abundant fertile land for agriculture."

"At present there are 165 enterprises from 18 countries operating in Myanmar, nine of which are Malaysian companies," he said.

Malaysia's exports to Myanmar in 1994 totalled RM[Malaysian ringgit] 576.2 million and imports amounted to RM72.6 million.

Progress Seen in East Asia Growth Area

96SE0031A Kuala Lumpur BERITA HARIAN in Malay 25 Jan 96 p 10

[Article by BERITA HARIAN reporter Lichong Angkui: "Strengthening Cross-Border Trade"]

[FBIS Translated Text] Efforts to bring the East Asia Economic Caucus (EAEC) to realization have not yet received full agreement from some of the regional economic powers. However, the BIMP-EAGA [Brunei Darussalam, Indonesia, Malaysia, and the Philippines—East Asia Growth Area] project, has brought results, or, at least, has been successful in breaking down the border walls that divide the four countries.

In less than two years after the official founding of the BIMP-EAGA, the four countries belonging to it have united in establishing economic cooperation in several sectors. So far, 14 memoranda of understanding among companies of member countries have been signed.

In addition, the private sector created the BIMP-East Asia Business Council (BIMP-EABC). The formation of this council is clear evidence of a brighter future. It turns a new page and provides new economic opportunities for countries of the region.

What is more important, however, is that the leaders of the four member countries—Brunei Darussalam, Indonesia, Malaysia, and the Philippines—have shown

a high level of personal commitment to success. They are optimistic that the BIMP-EAGA will be successful.

For Malaysia, Deputy Seri Dr. Mahathir Mohamed believes the project will bring more reasonable economic growth and will stimulate the regional tourism industry. He cited the inauguration of Saaga Air Sdn. Bhd. (Saaga Air) flights as one of the projects under BIMP-EAGA.

When he inaugurated the service at Kota Kinabalu on 29 November, the prime minister said that the existence of the air service permits people to visit all major cities in the region.

Saaga Air, owned jointly by the Sabah and Sarawak Governments and Ekran Air Bhd., has scheduled service to Davao, Zamboanga, Puerto Princesa, and General Santos City in the Southern Philippines; to Manado in Sulawesi; and to Pontianak and Tarakan in Kalimantan. Kota Kinabalu in Sabah, and Miri in Sarawak, are the gateways.

Besides air service, there are at least 121 other projects identified for implementation under BIMP-EAGA, which has now been recognized by world economic powers as a new center of growth.

Michael J. Steel, chairman of the Sabah branch of the Malaysian International Chamber of Commerce and Industry (MICCI), said this in a recent one-day forum in Kota Kinabalu on Concepts, Opportunities, and Prospects of the BIMP-EAGA Region.

He outlined opportunities that can be exploited in a variety of sectors, from agriculture and marine resources to processing and manufacturing. Sectors with potential for development are agriculture, fisheries, forestry, trade, tourism, construction, communications, electric power, human resources, and financial services.

Steel did not see any big obstacle to the recording of high economic growth by BIMP-EAGA.

From the aspect of project financing, investors may take the initiative or may take advantage of financial facilities in the Labuan Federal Territory, which has been made an international off-shore financial center (IOFC).

What member countries need to do relates to basic facilities and infrastructure. There may also be a need to create a special center for handling questions about BIMP-EAGA from investors, both domestic and foreign.

In Steel's view, the big challenge now is the extent to which the public and private sectors of the four countries are prepared to unite and forge efforts to achieve BIMP-EAGA objectives. If there is overall commitment, it is

clearly not impossible for ASEAN economic growth to surpass the 7.8 percent projected for 1995.

The creation of BIMP-EAGA, which is part of the goal of regional leaders, opens new economic opportunities.

By embracing Sabah, Sarawak, and Labuan in Malaysia; Mindanao and Palawan in the Philippines; Kalimantan and North Sulawesi in Indonesia; and Brunei Darussalam, it promises a better economic flow.

Encompassing an area of 692,000 square kilometers and a population of 40 million, BIMP-EAGA provides a big challenge indeed, while at the same time providing extensive investment opportunity.

In that context, BIMP-EAGA, with its office at Bandar Seri Begawan, can coordinate joint development activities among companies from the four member countries.

The guarantee of Vicente T. Petero, chairman of the BIMP-EABC, that he will supply information and a business data base to help domestic and foreign investors is a positive indication of more effective BIMP-EAGA accomplishments in the near future.

Although there is no target date for the full realization of BIMP-EAGA, as is the case with other economic cooperation, developments and successes during these first two years afford confidence that there will be more rapid achievements.

In fact, Petero also revealed the readiness of the BIMP-EABC to coordinate economic cooperation in the private sectors of the four member countries. It is believed that this step will encourage the process of creating a regional economic network that is more integrated and beneficial to everyone.

In promoting implementation of other giant projects, telecommunications should be put first, because they serve as a platform for all short- and long-term projects.

It would be appropriate to create an optic cable network to connect the four countries, primarily the main cities.

Such facilities would speed up the implementation of all joint projects, because the exchange of data and information could be done quickly.

Also, tariff rates in the EAGA region must be made uniform and reduced to minimum levels.

This is a main element in the implementation of any economic project. Differences in tariffs between a country and its neighbors clearly complicate the implementation of any cross-border project.

Transportation systems, both sea and air, among member countries are recognized as steadily improving. Besides the services of Saaga Air, an agreement has

been signed by private businessmen for the operation of cross-Borneo bus service from Kota Kinabalu to Pontianak in Kalimantan, via Bander Seri Begawan in Brunei and Kuching in Sarawak. The service is expected to begin operations in the middle of this year.

Similarly, ferry service, which facilitates public travel, already exists on the Zamboanga-Sandakan and General Santos City-Bitung routes.

The conclusion drawn in the one-day forum was that it is important for each country to strengthen its determination. The forum said that if each country is committed and has high aspirations, BIMP-EAGA goals will continue to be achieved.

Besides establishing cooperation among countries, more aggressive efforts must be made to attract domestic and foreign investors into the markets of BIMP-EAGA, which is a new ASEAN growth region.

Malaysia: Government Vows Action Against Shi'ite Movement

BK0603124596 Kuala Lumpur NEW STRAITS TIMES in English 4 Mar 96 p 5

[Unattributed report]

[FBIS Transcribed Text] Sik, Sunday — The Government will take the same steps used to check the Al-Arqam movement two years ago to end the spread of the Shi'ite ideology.

Minister in the Prime Minister's Department Datuk Dr Hamid Odman said stern measures, similar to those used to tackle the deviationist teachings propagated by Al-Arqam leaders were needed to ensure Shi'ite followers did not become a threat to national security.

"Shi'ite followers are taught by their leaders to become fanatics...they are told that any follower persecuted for his beliefs will be considered as a martyr.

"This is very dangerous. We have to put a stop to such teachings as besides being a threat to national security the Shi'ite ideology could also cause a split among Muslims," he said.

He said this when asked to comment on the extent of Shi'ite teachings and problems caused by its followers in the country at his Hari Raya (Islamic religious festival) open house yesterday.

(The Al-Arqam movement was banned in 1994 following a fatwa (Islamic religious decree) by the National Fatwa Committee declaring the teachings and beliefs of the sect as against the true Islamic teachings.

(Al-Arqam leader, Ashaari Muhammad, subsequently admitted that he had deviated and asked his followers to do likewise).

Hamid said even Prime Minister Datuk Sri Dr Mahathir Mohamed had expressed concern over reports that Shi'ite teachings were being spread in the country.

"Everybody knows there is bound to be a conflict among Muslims wherever there are Shi'ite followers.

"Examples can be seen in Bahrain, Lebanon and Pakistan...there have been cases of extremism involving Shi'ites in all these countries, including killing of fellow Muslims."

Hamid said Pusat Islam (Islamic Center) had identified Kuala Lumpur and Johore Baharu as cities where there is a prominent following of Shi'ite Muslims in the country.

"Although the followers may still be small in number but the signs of their militancy are evident.

"The followers spread their beliefs by going from house to house in small groups," he said.

Malaysia: Navy Plans To Buy 20 Helicopters for Modernization

BK0703085896 Kuala Lumpur THE STAR in English 7 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur — The Navy will initially buy 20 helicopters in the service's modernization programme, said Deputy Defence Minister Datuk Dr. Abdullah Fadzil Che Wan.

He said the existing WASP helicopters were old and it was time to replace them. "The Government is looking at several options," Dr. Abdullah told reporters after witnessing the signing of a dealership agreement between GKM Security System Sdn Bhd and U.S. company, Infotech Development Inc.

If the Government buys the new helicopters, they would likely be used on frigates and the New Generation Patrol Vessel (NGPV).

Dr. Abdullah also said the Government planned to set up a submarine training centre in Lumut in preparation for the acquisition of the vessel.

He said several officers had also been sent abroad to be trained in submarine operation.

"We are still searching for the right type of submarines at the right price," said Dr. Abdullah, adding that the ministry is waiting for the allocation for that purpose.

Malaysia Plans Body To Monitor Information Sources

BK0803122496 Kuala Lumpur THE STAR in English 8 Mar 96

[Report by Azman Awaludin and Jacqueline Teo — received via Internet]

[FBIS Transcribed Text] Singapore — Malaysia plans to set up a single regulatory body to govern and monitor all information sources and systems of delivery, Information Minister Datuk Mohamed Rahmat said.

He said the proposal would be discussed by the relevant ministries and departments to determine the best methods of regulation.

He added that the move was needed because information dissemination was now under different agencies and the purview of different acts.

"We have to look at it from a fresh point of view due to the vast number of delivery systems available now.

"There is also the possibility that the body may be privatised," he told THE STAR.

Mohamed, who attended the ASEAN Ministers Responsible for Information conference here, earlier told reporters that Malaysia was studying means adopted by other countries to control negative influences of information technology. "We are studying the matter seriously, but before we do anything we have to look at what others are doing.

"There may be problems in the early part of implementation, but we are willing to discuss different ideas and maybe take a common stand on the matter," he said.

Where possible, Mohamed said, Malaysia would extend existing laws to combat pornography and misinformation on the Internet.

There might be a need to review current laws which were outdated, he added.

Asked if there were other tangible means of censorship, Mohamed said the use of the so-called V-chip to screen negative material on the Internet and satellite television was one option.

However, he said, the effectiveness of the V-chip had yet to be determined, saying that other methods should be studied seriously first.

Cambodia

Cambodia: Radio Comments on Bulgarian Delegation's Visit

BK0703084596 Phnom Penh National Radio of Cambodia Network in Cambodian 0500 GMT 7 Mar 96

[FBIS Translated Text] During a five-day official friendship visit to the Kingdom of Cambodia by a delegation from the Bulgarian Defense Ministry, His Excellency [H.E.] (Vladimir Pechev), Bulgarian deputy defense minister, and members of the delegation, paid a courtesy call on Their Excellencies General Tie Banh and General Tea Chamrat, co-defense ministers.

On this occasion the Cambodian Co-defense Ministers said that the current visit to the Kingdom of Cambodia by the delegation from the Bulgarian Defense Ministry clearly reflects the friendship between the two countries, particularly within the framework of the defense ministries.

H.E. (Vladimir Pechev) expressed his pleasure at seeing the development of Cambodia and also that of the Khmer Royal Armed Forces [KRAF]. He affirmed that in the future cooperation between the two countries' defense ministries would continue to be healthy. Furthermore, the delegation from the Bulgarian Defense Ministry, led by H.E. (Vladimir Pechev), also signed a cooperation agreement between the two countries' defense ministries with H.E. Ek Sereivoat, state secretary for defense. In essence, the agreement is on technical training for the KRAF.

The delegation from the Bulgarian Defense Ministry also went to Siem Reap Province to see Angkor Thom and Angkor Wat temples. It also visited the royal palace and the national museum. The delegation admired the fine, dynamic architecture, which clearly shows the culture, traditions, customs, and glorious civilization of the Cambodian people.

The delegation from the Bulgarian Defense Ministry ended its visit on 5 March and left for home. Seeing the delegation off at Pocheatong International Airport were H.E. Colonel Chhim Aom-yun, adviser to the Defense Ministry; Lay Bunsong, head of the international relations department; H.E. (Soyan Davidoch), charge d'affaires of the Bulgarian Embassy in Cambodia; and many officers from the international relations department of the Defense Ministry.

The current official visit by the delegation from the Bulgarian Defense Ministry reflects the development of the Kingdom of Cambodia's diplomacy as well as the healthy situations in the economic and security

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fields. Furthermore, it shows the warm support of the international community for the Royal Government.

Cambodia: Phnom Penh Formally Applies for ASEAN Membership

BK0703050796 Bangkok THE NATION in English
7 Mar 96 p A3

[Report by Don Pathan and Marisa Chimprapha]

[FBIS Transcribed Text] Cambodia made its formal request to the ASEAN Secretariat in Jakarta last month to become the eighth full member of the regional grouping, a senior Cambodian official said yesterday.

The letter will be forwarded to the Indonesian government, which is currently the chairman of the ASEAN Standing Committee, the official added.

"We submitted the letter shortly after a visit by seven ASEAN director-generals to Phnom Penh in February," he said. The Association of Southeast Asian Nations department chiefs visited the country to determine what advancements Cambodia had made concerning membership and to find out what assistance it still required.

The official reiterated an earlier statement by the Cambodian government that the country wanted ASEAN membership by 1997. Cambodia and Laos are observers to the ASEAN.

Laos stated at last year's annual ministerial meeting in Brunei its intent to become a full member in 1997, while Vietnam became the group's seventh member last year.

ASEAN has announced it hopes Cambodia, Laos and Burma will be part of the grouping by the year 2000 — bringing together all 10 Southeast Asian countries. The current ASEAN roster also includes Thailand, Singapore, Malaysia and the Philippines.

The Cambodian official said the Phnom Penh government has worked hard to fulfill its requirements to become the eighth member, although it realized it was suffering from some fundamental shortages after more than two decades of internecine warfare.

"We realize we have a lot of homework to do in terms of human resource development and infrastructure development to become a full member.

But we still expect to become a full member [in 1997] as stated," the official said.

ASEAN foreign ministers could either approve Cambodia's full membership at their next annual meeting in July, or just consider it and grant membership later.

"After years of war Cambodia is going through a transitional period and relies heavily on international support and assistance.

We need time to educate our officials and population to be ready to join the world community and ASEAN," the official said.

He insisted Phnom Penh will do its best to fulfill all ASEAN requirements to become a full member, including the payment of U.S. \$1 million (Bt25 million) for membership as well as providing the expenses for Cambodian officials attending the numerous meetings each year.

A senior Thai Foreign Ministry official said yesterday the department recently approved a training programme for Cambodian officials, through its ASEAN Department, so that they would be familiar with the group's work.

The programme includes courses in English as Cambodian officials are more familiar with French.

The Cambodian government has set up its own ASEAN Department in its Foreign Ministry. While it is presently staffed by only a few officials, the government plans to recruit more personnel to work on ASEAN-related business.

Cambodia: Sihanouk Says Government Critics 'Will Never Achieve Power'

BK0803034096 Hong Kong AFP in English
0327 GMT 8 Mar 96

[FBIS Transcribed Text] Phnom Penh, March 8 (AFP) — Cambodia's King Norodom Sihanouk has said the majority of his countrymen are unconcerned with how democratic their nation is and that the leading critics of the government will never achieve power.

The 73-year-old monarch, in an interview with the English-language Cambodia Daily newspaper published Friday, said people in foreign countries might get the idea that most people are opposed to the current coalition which has been accused by human rights groups and others of sliding towards authoritarianism.

"The reality is that the majority of people judge their government not so much as to how democratic it is, but how many bridges and hospitals they build and the public services they provide," King Sihanouk said in Beijing where he is undergoing medical treatment.

He added that he thought second Prime Minister Hun Sen, leader of the formerly communist Cambodian People's Party (CPP) who is regarded as holding much of the power in the government "will stay in power for years and years."

Prince Norodom Sirivut, living in exile in France and convicted in absentia last month of plotting to assassinate Hun Sen in a trial widely viewed as unfair, and Sam Rangsai, leader of the banned Khmer Nation Party (KNP), do not have the support of enough people to take control, the king said.

By reading the international press, people "might conclude that Prince Sirivut and Sam Rangsai are going to win the election in 1998," King Sihanouk told the paper. "No way, no way, because they are alone and supported by a small minority of students and people.

"(There is) no way for Sirivut to be King or Sam Rangsai to be Prime Minister. They will be in the opposition until their deaths."

Although the king said he supported the idea of political pluralism and liberal democracy that was envisioned when the Paris Peace Accords were signed in 1991 ending more than two decades of civil war, he said the situation in Cambodia was far from that.

"Everything is very special in Cambodia," he told the paper. "Nothing is in conformity with liberal democratic principles...our constitution is one thing and our democracy another.... The constitution is a paper monument."

King Sihanouk, who said he supported his son, First Prime Minister Prince Norodom Ranariddh, to succeed him on the throne said earlier that he feared the royalist FUNCINPEC (National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia) party might disappear if Prince Ranariddh, who leads the party became king.

Cambodia's constitution requires the monarch to be neutral and hold no political alliances.

Cambodia: Hun Sen Comments on Election, Border Problem

BK0703063096 Phnom Penh National Radio of Cambodia Network in Cambodian
0500 GMT 7 Mar 96

[FBIS Translated Text] Presiding over the closing of a meeting at the office of the logistics department to review the Interior Ministry's work on the afternoon of 6 March, Samdech Hun Sen, second prime minister of the Royal Government of Cambodia, said that Cambodia's ASEAN membership is very important because it will allow us to have stability and security and attract partners from among ASEAN, which in turn will enable us to achieve economic progress. Therefore, Cambodia should be ready to be a full-fledged member in 1997.

Concerning the coming election of commune heads, Samdech Hun Sen said that he agreed with the samdech

krompreah [First Prime Minister Norodom Ranariddh] in choosing the single-member constituency system, because the people prefer it and it is also democratic. Samdech Hun Sen further said that the election of commune heads and people's representatives should be organized by Cambodians; foreigners should be observers only.

On the border issue, Samdech Hun Sen said that we should solve the problem peacefully and not through violence. The king also agreed with this. The samdech said that we should ask that the status quo be maintained, the people's traditions observed, and maps preserved for a legal solution. The samdech also stressed that leasing land along the border to foreigners should stop.

Dealing with the country's rehabilitation and development, Samdech Hun Sen said that the situation in Cambodia should be recognized. Although the achievements are minimal, they represent our efforts, and the situation is better than before.

Cambodia: Sam Rangsai Lauds Hun Sen Stand on National Airline

BK0703094096 Phnom Penh MONEAKSEKA KHMER
in Cambodian 29 Feb-1 Mar 96 pp 1, 4

[Report by Sam Rangsai: "Concerning Royal Air Cambodia"]

[FBIS Translated Text] The Khmer Nation Party is glad to hear Second Prime Minister Samdech Hun Sen's reasonable remarks about the inactivity and managerial shortcomings of Royal Air Cambodia [RAC]. We applaud Samdech Hun Sen's view on scrapping RAC's monopoly on flights. National interests as well as that of passengers require that this exclusive right be abolished and that competition among different airlines be encouraged. Only free competition can bring down the prices of air tickets and raise the quality of services to passengers.

The lesson to be drawn from this RAC experience is that there must be transparency when contracts between the state and companies are drawn up. The contract drawn up by RAC with the government and the Malaysian firms MHS [Malaysian Helicopter Services] and MAS [Malaysian Airline System] was done in total secrecy. This prevented outsiders from estimating the profits or losses of each party — and we are afraid it is the Cambodian party, that is, our state that is losing, while the Malaysians are gaining. These Malaysians control RAC. They have diverted revenue which had previously gone to the state back to RAC and they can spend these funds as they like. The salaries of Malaysians

working for RAC are much higher than those paid to their Cambodian counterparts. Moreover, the Malaysian company MAS rents its planes and provides other equipment and services to RAC at exorbitant prices, which is one way for Malaysia to pump money out of Cambodia.

In my capacity as an MP, I presented many questions to the government concerning the 28 December 1994 contract to set up RAC, but the government had never answered any of my questions.

On 9 February 1995, I requested the court to repeal this contract which violated both the constitution and the financial law. However, the court has so far ignored the file I had submitted for consideration.

I believe, however, that it is not yet too late for past mistakes to be corrected. It is fortunate that Samdech Hun Sen has now woken up to this RAC incident. We must encourage Samdech Hun Sen to push the government into taking appropriate measures, that is:

- to make an inventory of all state properties (we have heard about the disappearance of two aircraft...)
- to reorganize the board controlling RAC by enhancing the capacity and honesty of responsible officials.
- to ensure that there is transparency in all decisions made on behalf of the state.
- to revise any contracts deemed unfair to our country.
- to promote competition among different airlines flying the Cambodian skies.

Cambodia: Article Questions Hun Sen's Integrity
BK0603145396 Phnom Penh SAPORDARMEAN
SEREIPHEAP THMEI in Cambodian 2 Mar 96
 pp 1, 4

[Satire by Kan Vira: "It is About Time for Ranariddh to do Something; Do Not Let Hun Sen be so Arrogant"]

[FBIS Translated Text] If Hun Sen is not corrupt, he should declare his wealth. What is Hun Sen doing now with regard to corruption? Suppressing, opposing, or concealing evidence of corruption? If Hun Sen is really finding ways to crack down on corruption, why did he not set up a committee to investigate corruption? Hun Sen will only expose those who are not his people by questioning them about money and ordering them to give the money to the Finance Ministry.

Why did he not ask his own people where they kept the money collected from selling national property before the elections? Especially, he should ask himself what business he is involved in, making so much money and enabling him to go around building this

and that under his name. He should ask himself who sold the shophouses around Phsar Thmei and where all that money has gone. He should ask Chea Sophara (deputy governor of Phnom Penh), Thong Khon (co-under state secretary of tourism), Hok Langdi (Svay Rieng provincial governor) where is the money from the sale of the cinema and the commune and precinct halls in Muk Kampul District, from the sale of the land around the football field of Bak Tuk School, the sale of plot of land formerly belonging to the Agriculture and Interior Ministries near Toek Thla, the plot of land formerly belonging to Kulab 4 orphanage, the plot of land at Banteay Sloek, the buildings in the depot on Kampuchea Kraom road, the plot of land of the former office of the Information Service, and the sale of state property in cities. Who are the officials responsible for all this? There are still many other things. There are military officers who own big modern cars worth \$40,000 to \$50,000 each. Why doesn't Hun Sen ask them how they earned the money to buy these cars? He should also ask himself: Have I signed an agreement to hand over Cambodian land and islands to Vietnam? If I did not, why did I not sue those who accused me of doing so?

He should also ask himself: Have I, Hun Sen, sent the people to die and destroy forests using the K-5 hard labor plan? If not, why did he not reply when he was questioned about it?

It is about time for the prince Krompreah to take action against Hun Sen's colleagues and subordinates to stop Hun Sen from being so arrogant. Since Hun Sen has refused to set up a committee to investigate corruption scandals and bring the culprits to punishment, the prince Krompreah can set up a committee himself and have Hun Sen sign the appointment order. After the order is approved by the cabinet, send it to the National Assembly for approval. With 58 votes from your FUNCINPEC (National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia) plus five more from Son Sann's party, you will have more than 60 votes. As for Hun Sen, he will have only 56 votes; 51 from his Cambodian People's Party plus five more from Ieng Muli's faction. Thus, you will certainly win assembly approval. If you fail to do this, your party members will be suspected of corruption. If both of them are corrupt, why did Hun Sen dare to make a hue and cry and the prince Krompreah didn't? Since the other side dared to expose others, why didn't you dare to do the same? Is it because you are afraid of Hun Sen's 191 bodyguards? Is it because of your good spirit of national reconciliation?

The first prime minister must be brave enough to face anything. He should no longer let the second prime

minister who has gained the power with the barrel of a gun to continue doing anything at will. At present, while your highness is working to gain international support for your nation and people, Hun Sen is busily carrying demagogic campaigns just to win votes for his next term of office.

Cambodia: Serious Infighting Threatens KNP's Existence

BK0703094396 Phnom Penh THE CAMBODIA TIMES in English 3-9 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Phnom Penh — The Kingdom's main opposition Khmer Nation Party (KNP) is in danger of a serious split barely months into its formation following the sacking of vice-presidents Nguon Soeu and Mung Mondale last month.

The rift is threatening the very existence of the KNP which has offered itself as an alternative to the ruling Government.

The dispute appears unlikely to be settled until a full meeting of the party's congress can be called to allow members to debate the issue.

KNP president Sam Rangai has squared off against Mung Mondale and Nguon Soeu. At a steering committee meeting of the party on February 14, Rangai said Soeu had been expelled by a 25-23 vote. Two days later, Mondale, seen as an ally of Soeu's, was sacked for an alleged secret meeting with second Prime Minister Hun Sen.

Rangai said Soeu and Mondale were also automatically dislodged from their vice-presidencies.

But Nguon Soeu refused to vacate the post, rejecting the expulsion as illegal.

"The move to expel me from the steering committee was illegal and did not conform with the party's regulations. I am still vice president of the party and a member of the steering committee."

Soeu called for a full meeting of the KNP congress to resolve the problem, saying he would not leave the KNP which he says he cofounded with Rangai.

"I spent a lot of my money for the party. It is not easy to fire me," Soeu said.

He said he would hold a congress on March 24 to allow the party members to debate whether he should be expelled.

"If they said I should not be fired, and Rangai's move is illegal, I will remain KNP vice president," he said.

Meanwhile, Sam Rangai claimed Soeu's proposed March 24 congress was orchestrated by the Government to destroy the KNP.

Other party officials joined the war of words between Rangai and Soeu.

Secretary-general Khieu Rada accused Nguon Soeu of creating "many difficulties within the party by inciting division and disunity".

As the public airing of dirty laundry within the party continued, many observers were wondering whether the KNP, regarded as the only strong opposition to the ruling Government, could indeed put up a firm bid for power in general elections in 1998.

"If they do not resolve their problems, their plans to wrest power may remain just plans," one observer said. THIS REPORT MAY CONTAIN COPYRIGHTED

Cambodia: Khmer Rouge Claims Success on Moung-Pursat Front

BK0703035996 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 6 Mar 96

["Special News: Our National Army and People Have Taken Six Two-Headed Positions Along the Moung River on the Moung-Pursat Battlefield"]

[FBIS Translated Text] After besieging the two-headed forces with strategic weapons and launching attrition attacks against their personnel with sniper fire, mine detonations, and actions to section off their lifelines, on the night of 4 March and before dawn at 0400 the army, guerrillas, and poor peasants jointly raided and took six two-headed positions along the Moung River, namely:

1. The position of a detachment of the 12th Regiment from the 5th Military Region, located at Prek Chik.
2. The position of the 21st Battalion, located at Tram Seh.
3. The position of the 22d Battalion, located at Chheuteal Chrum.
4. The position of the 23d Battalion, located at Bun Tang village.
5. The company position located at Prek Chik monastery.
6. The battalion position located at Ta Mok monastery.

After three hours of fighting, our National Army and people crushed and fully occupied these six positions, killing 25 enemy personnel including a captain, wounding 22 others, and taking two prisoners. We destroyed 46 military barracks and 26 assorted guns, including 16 SKS's, six AK's, six B-40's and B-41's, and one RPD.

We destroyed a large radio communications set along with an antenna, a large truck, and a lot of other war materiel.

We seized 51 assorted weapons, including one 80-mm mortar, two 60-mm mortars, one 12.7-mm machine gun, five Goryunov's, one pan-magazine machine gun, two RPD's, 10 AK's, 22 SKS's, four B-40's and B-41's, one B-67, and two AP grenade launchers, five crates of AK ammunition, 1,000 rounds of Goryunov ammunition, 12 60-mm mortar shells, one small radio communications set, one map, 18 backpacks, nine sacks of rice, and a large quantity of other war materiel.

At 0900 the two heads mastered forces from the 5th Military Region, the 8th Division, the Pursat provincial units, and the district and police units along with two armored personnel carriers and sent them against our forces. They were ambushed by our army and people and suffered a few more killed or wounded. The survivors retreated in haste.

We planted 50,000 additional stakes and a large number of assorted mines.

Cambodia: Official Says Over 12,000 Guerrillas Defected

BK0703100596 Phnom Penh THE CAMBODIA TIMES in English 3-9 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Phnom Penh — More than 12,000 guerrillas had defected from their commands and returned to their villages over the past two years, government sources here announced.

Interior Secretary of State Ho Sok said a total of 12,634 guerrillas had defected and surrendered 6,502 weapons.

He said discussions are being held with Thailand to coordinate integrated border exercises to ensure that both countries' borders are secure and stable.

"About 600 guerrillas are still believed to be active in the provinces of Kompong Speu and Kompong Chhnang. There are about five thousand guerrillas still present in the areas of Mondulkiri, Kratie, Kompong Cham, and Aeklong Veng," he said.

Indonesia

Indonesia: Suharto Receives Pakistan's Bhutto in Jakarta

BK0703081596 Jakarta Radio Republik Indonesia Network in Indonesian 0600 GMT 7 Mar 96

[FBIS Translated Text] President and Mrs. Suharto welcomed Benazir Bhutto, prime minister of the Islamic Republic of Pakistan, and her husband, Asif Ali Zardari,

at the Merdeka Palace some time ago. The national anthems of the two countries were played and a 19-gun salute fired during an official ceremony. After the official ceremony, President and Mrs. Suharto led Prime Minister Benazir Bhutto and Ali Zardari to the Central Room of the Merdeka Palace, where they were introduced to ambassadors and officials, including Vice President and Mrs. Try Sutrisno and ministers of the Sixth Development Cabinet.

President and Mrs. Suharto as well as Minister and State Secretary Mardiono led the state guests to the State Guesthouse. Mardiono later briefed reporters on Pakistan's desire to learn from Indonesia in many areas, including Indonesia's efforts to check the population growth.

[Begin Mardiono recording] The prime minister thanked the president for the latter's invitation. She said she wanted to see for herself the progress of Indonesia's socioeconomic development and obtain first-hand information from the president on our ways of developing the country. The president welcomed Prime Minister Bhutto's desire and said Indonesia was ready to share its experience with other countries, particularly fellow developing countries. Indonesia is ready to share with other countries the successes as well as the failures of its development programs.

The prime minister expressed her appreciation of the progress of Indonesia's socioeconomic development as well as Indonesia's role in the international arena. The prime minister said she was impressed by our progress as she was driven from the airport to the palace. She said Jakarta looks green. She saw a number of fountains and other signs of progress in the capital.

The president and the prime minister briefly exchanged views on various issues related to socioeconomic development, particularly Indonesia's ways of checking the population growth and other population problems. [end recording]

At 1400, Prime Minister Benazir Bhutto will receive courtesy calls from Mrs. Siti Hardiyanti Rukmana, Bambang Trihatmojo, and Hutomo Mandala Putra [President Suharto's children]. Meanwhile, Ali Zardari, the prime minister's husband, will meet the minister of tourism, posts, and telecommunications.

Indonesia: Suharto Hails Pakistan's Bhutto
BE0803034496 Jakarta KOMPAS in English
8 Mar 96

[Unattributed report — received via Internet]

[FBI Transcribed Excerpt] Jakarta, KOMPAS Online
— President Suharto hopes Pakistan and India will find a peaceful solution to the Kashmir dispute.

In a speech delivered on the occasion of Prime Minister Mohtrana [Ma.] Benazir Bhutto's visit to Indonesia on Thursday (7/3), the president also praised the Prime Minister for her ability to safeguard moderate Islam in Pakistan despite challenges by extreme Islamic groups.

I am fully aware of your efforts in building the nation of Pakistan. You have managed to create a Pakistan which is moderate and contest extreme action which disturbs development, said Indonesia's head of state.

You have created a stable economy, control the rate of population growth, increase the quality of education and advance the position of women.

This has all been done to improve the welfare of the masses.

Likewise I recognize the important role Pakistan plays in regional organizations such as the South Asia Association for Regional Cooperation (SAARC) and the Economic Cooperation Organization (ECO), continued the President.

In reaction to President Suharto's concerns about the Kashmir dispute, Prime Minister Benazir Bhutto said that there had been an ongoing dialogue between India and Pakistan in efforts to put an end to the border dispute.

Benazir also hailed Indonesia's economic achievements, its role in several international and regional forums such as APBC [Asia-Pacific Economic Cooperation], ASEAN and ASEM [Asia-Europe Meeting], and the nation's ability to uphold the principles incorporated in Bhinneka Tunggal Ika (Unity in Diversity). [passage omitted on Bhutto's itinerary]

Indonesia: Suharto Hails Talks With Pakistan's Bhutto

BE0803091496 Jakarta Radio Republik Indonesia
Network in Indonesian 0700 GMT 8 Mar 96

[FBI Translated Excerpt] President Suharto and Pakistani Prime Minister Benazir Bhutto held one-on-one talks in Jakarta this morning. Meanwhile, ministers and senior officials from the two countries held parallel talks at a separate venue.

Here is a report by correspondent Hardiyanto on the activities:

[Begin recording] [Hardiyanto] During talks at the Merdeka Palace, President Suharto informed Prime Minister Benazir Bhutto of the domestic situation. The head of state talked primarily about Indonesia's socio-economic development as well as about our political system. The two leaders briefed each other on regional and international issues.

Later, Minister and State Secretary Mardiono explained the results of the talks, particularly on bilateral relations.

[Mardiono] The two leaders agreed to further enhance bilateral economic and trade relations, primarily within the framework of South-South cooperation. Accordingly, the two leaders agreed that businessmen from the two countries needed to exchange visits more frequently to acquaint themselves with each other's products and capabilities.

The president once again expressed his appreciation for the presence of dozens of Pakistani businessmen in the prime minister's delegation as well as for their talks with Indonesian businessmen and the signing of a number of business deals.

The prime minister expressed Pakistan's desire to become a full dialogue partner in the ASEAN Regional Forum. [sentence as heard] Indonesia will ask fellow ASEAN members to reach a consensus on the bid.

The prime minister hoped that Indonesia would support Pakistan's desire to attend the next Asia-Europe Meeting, if there is a possible expansion of the membership at the next meeting. The first meeting took place in Bangkok.

Pakistan wants to join the APBC [Asia-Pacific Economic Cooperation] forum if there are plans to expand the APBC membership. Of course, Indonesia will consider Pakistan's desire because APBC, in fact, does plan to expand its membership.

Pakistan sought Indonesia's support for its bid to host an extraordinary meeting of the Organization of Islamic Conference [words indistinct].

The president raised the possibility of further enhancing bilateral economic and trade cooperation. We know that the volume of bilateral trade is relatively small. [passage omitted] [end recording]

Indonesia: Officer Views Military Relations With Australia**BK0403111596 Jakarta ANTARA in Indonesian**
0559 GMT 4 Mar 96

[FBIS Translated Excerpt] Jakarta, 4 Mar (ANTARA) — Lieutenant General Suyono, chief of ABRI [Armed Forces of the Republic of Indonesia] General Affairs, said current military ties between Indonesia and Australia [words indistinct]

"ABRI hopes that current military relations will remain unchanged. Our relations have thus far been unaffected by political issues," Lt. Gen. Suyono told ANTARA at his office in Jakarta on Monday.

Suyono said the existing agreement on military cooperation will serve as a guideline for the two countries to maintain current relations.

"As the agreement already exists, we can simply continue or, if possible, upgrade it," he said.

He said that generally speaking, bilateral military relations are rarely influenced by political issues. Any political problem related to two countries can be resolved at the operational level, and has no impact on military cooperation. [passage omitted]

Responding to fears that bilateral military cooperation might be affected following Paul Keating's election defeat, Suyono said that there is no diplomatic indication to support such fears.

"Our military ties with Australia are excellent. You must remember that we are now at the peak of our bilateral ties," he said.

Indonesia: Foreign Minister on Irian Jaya Hostage Issue**BK0603080396 Jakarta ANTARA in Indonesian**
0622 GMT 6 Mar 96

[FBIS Translated Text] Jakarta, 6 Mar (ANTARA) — Foreign Minister Ali Alatas has made clear Indonesia's stance on the hostage crisis in Irian Jaya — the hostages must be freed without any conditions.

Replying to questions before a limited cabinet meeting on production, distribution, economy, finance, and development supervision at Bina Graha [presidential office] in Jakarta on Wednesday, the foreign minister said the hostage taking perpetrated by the security disturbance movement [GPK] had been condemned by the whole world. The act is unjustifiable under international law. Indonesia has been flexible in using persuasive means to deal with the crisis, he stated. "Thus, we can-

not be accused of dealing with the hostage crisis recklessly," the foreign minister said.

Replying to a question on the desire of the GPK — which calls itself the Free Papua Movement Revolutionary Council — to hold negotiations with the government, the foreign minister said: "We do not recognize them. Clearly, Indonesia cannot hold negotiations with the GPK."

This stance is also clearly reflected in Indonesia's refusal to hold negotiations with Ramos Horta [a leader of the Revolutionary Front for an Independent East Timor], the foreign minister stated.

Armed Forces chief General Feisal Tanjung has stated that the Armed Forces of the Republic of Indonesia are monitoring developments in the hostage crisis. "Perhaps they [kidnappers] want the use of force," he said smilingly.

Replying to a question on talks between President Suharto and Portuguese Prime Minister Antonio Guterres in Bangkok, the foreign minister said the talks did not touch on the substantive points of the East Timor issue. Prime Minister Guterres spoke on self-determination for the East Timorese people and the release of [words indistinct].

Alatas reiterated that Indonesia will continue to discuss the issue comprehensively. The Indonesian president and the Portuguese president agreed that the issue will be followed up at a meeting between their foreign ministers. "Indonesia will not deal with just one aspect of the issue but will discuss the issue within a comprehensive, broad context," Ali Alatas said.

Indonesia: ICRC, Kidnappers Agree To Hold Talks in PNG**BK0803045896 Jakarta KOMPAS in Indonesian**
8 Mar 96

[Unattributed report — received via Internet]

[FBIS Translated Text] Vanimo, KOMPAS — An ICRC [International Committee of the Red Cross] team and the leadership of the so-called OPM [Free Papua Movement] Revolutionary Council based in Madang will hold negotiations in Port Moresby or Madang in Papua New Guinea [PNG] in the near future to discuss the release of 13 hostages held by the GPK-OPM [security disturbance movement-Free Papua Movement]. Representatives of the governments whose nationals have been taken hostage are very likely to attend the negotiations.

The ICRC is most likely to be represented by Henri Fournier, Jakarta-based ICRC chief delegate to Southeast Asia, and staff member Dr. Ferrac Meyer, while

the OPM Revolutionary Council will be represented by Moses Weror and several members of his staff.

Fournier and Dr. Meyer arrived in Port Moresby on Wednesday (6 March) aboard a flight from Jakarta via Cairns.

KOMPAS correspondents Taufik H. Miharja and Korano Nicolash L.M.S. said all this in a dispatch on the latest developments in the efforts to secure the release of the hostages from Vanimo, capital of the PNG province of Sandaia, on Thursday.

Weror said when contacted by KOMPAS from Vanimo on Thursday evening that he had obtained a full mandate from Daniel Kogoya, leader of the kidnapping group, to represent the group in the negotiations. Weror was scheduled to fly from Madang to Port Moresby on Thursday afternoon. He said however on Thursday evening that he had been unable to get a ticket to fly to Port Moresby. "I have not yet got a ticket to fly to Port Moresby, as promised by the ICRC. The OPM is poor, you know," he said laughingly.

According to information gathered by KOMPAS in Vanimo, British Ambassador to PNG Brian Low facilitated the presence of the ICRC team in the PNG capital. "They (the ICRC team) have come here to talk to the OPM," Low was quoted by POST-COURIER on Thursday.

Weror himself admitted yesterday that both Ambassador Low and the ICRC had contacted him for negotiations. Four of the six foreign hostages are Britons. The other two are Netherlands nationals.

Military Operation

Abu Hasan Sazili, vice chairman of House Commission I [in charge of foreign affairs, defense, security, and information] of the House of Representatives said it is time to settle the hostage crisis comprehensively. "It is time to settle the hostage crisis either through negotiations or a military operation," he told reporters in the House of Representatives of the Republic of Indonesia on Thursday.

General R. Hartono, chief of staff of the Indonesian Army, said in Bengkulu on Thursday that the ABRI [Armed Forces of the Republic of Indonesia] will not sacrifice the dignity and sovereignty of the Republic of Indonesia. Persuasive means will probably be kept in place to secure the release of the hostages held by the OPM so long as the nation's dignity and sovereignty are not debased.

Sazili, however, believed that a military operation will have to be launched if negotiations within tolerable limits fail. "That will have to be done to prevent the

situation from becoming a precedent," he said. Sazili fully supported the government setting the tolerable limits. "It is up to the government. Of course, that will depend on the field situation and conditions," Sazili said.

Sazili admitted that a military operation would be highly risky. However, he added that the ABRI would certainly be able to draw up a strategy to minimize the risks as much as possible. "There will certainly be risks in any operation. On the other hand, we can do something to largely minimize the risks."

Indonesian Armed Forces Commander: 'Volatile Domestic Situation'

BK0703081096 Jakarta KOMPAS in English
6 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Jakarta, KOMPAS Online — Commander in Chief of the Armed Forces (ABRI) General Feisal Tanjung maintains that more serious attention needs to be directed toward the increasingly volatile domestic situation.

Speaking at a parliamentary working meeting on Tuesday (5 March), the General said the potential for conflict among the growing number of socio-political organization was a cause of great concern.

In particular Feisal Tanjung pinpointed the activities of separatist groups in East Timor and Irian Jaya who worked in collaboration with certain foreign parties.

When the chairman of the working meeting Marcel Beding, from the Indonesian Democratic Party Fraction (PDI), asked how long the East Timor and Irian Jaya problem would be allowed to continue, Feisal Tanjung said, We only need to look at England. The IRA problem has continued for over 100 years, the same is true in Spain. And then there is Italy plagued by Mafia and bandit activities. Japan and the United States are not excluded either.

In relation to the new left phenomena, ABRI's Chief of Staff for Political and Social Affairs Lieutenant General Syarwan Hamid said those who had witnessed the subversive activity which resulted in the 1965 coup were familiar with such subversive tendencies.

By being cautious doesn't mean being continuously suspicious but simply to take preventative action against certain symptoms. These symptoms must be controlled so they do not erupt, he said explaining ABRI's early warning activities.

We have to learn from history so as not to be clinched twice by the same problem. ABRI is not seeing an ant

as an elephant but rather taking preventative action. If ignored then the situation can be used by other parties, he said.

Election [subhead]

During the meeting, commission member Irham Abdurrokhim questioned the Commander in Chief of ABRI about the extent to which ABRI would guarantee an honest and just 1997 election. Feisal Tanjung, however, was reluctant to answer the question saying only that the election campaign was in the hands of the election organizers.

Speaking on broader international issues, Feisal Tanjung said political developments in Europe and Asia have influenced global relations and regional concerns. Regional stability is particularly volatile because of the ongoing Spratly and Paracel island dispute which involves China, Taiwan, Vietnam, Malaysia, The Philippines and Brunei Darussalam, he said. If these tensions continue then, of course, regional security will be disturbed, he said.

Indonesia: Industry Minister Views National Automotive Policy

BN0703035596 Jakarta KOMPAS in English
7 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Jakarta, KOMPAS Online — Indonesia should no longer be seen as merely a place to market foreign products such as Japanese and American automobiles, asserted Minister of Industry and Trade Tucky Ariwibowo on Wednesday (6/3) [6 March].

The door is still open, however, for foreign automobile manufacturers with intentions of developing an Indonesian automobile.

The question is whether they will be able to fulfill the various criteria, Tucky told the press before a cabinet session of the Economic, Financial, Development Supervision and Production Department at Bina Graha [presidential office] yesterday.

Through a 1996 presidential decree, the government has granted national automobile factories duty free privileges on imported car components and exclusion from paying the tax imposed on luxury goods (PPnBM) in efforts to support a national automobile program.

Responding quickly to the privileged status granted to the PT Timor Putra Nasional (TPN) car company, President Director of Bimantara Citra Bambang Trihatmoko [President Suharto's son] said PT Bimantara Citra (BC) is now preparing for the manufacture of a sedan.

The cost of the car, due to be completed by the end of the year, is forecast at about Rp [rupiah] 35 million.

If we are given the same facilities as Timor then by the end of the year, we should be able to launch the car, said Bambang during a Halal Bihalal ['id al-fitr get-together] yesterday.

The policy has already influenced the actions of car buyers.

In Medan several consumers have demanded a return on their down payments on cars despite losing up to 30 to 40 percent of their down payment.

Consumers seem convinced that because of the new policy the price of cars will fall between 25-30 percent.

If the dealer agrees, I want to return the car I bought 14 days ago even though the price of the car will be cut 10-15 percent, a recent car purchaser told KOMPAS in Medan on Wednesday.

Automobile sales have fallen dramatically after the announcement of the new policy.

In the past week many car dealerships [as received] have failed to sell even one car.

Marketing Manager of PT United Motors [name not given] in Surabaya said the public seemed anxious to know more about the cheaper Indonesian-made car but it would be at least two to three months after the cars were released before purchasing trends could be detected, he said.

Both Toyota and Honda car dealerships in Yogyakarta have also noted a drop in car sales.

Although there have not been any indications that car prices will fall in the near future, salesmen suspect prospective car buyers are waiting to see the impact on the new policy.

Tucky said the government was not sure if foreign automobile companies would react decisively to the new decision.

After explaining the policy to the Japanese and American ambassadors in Jakarta, Tucky said both foreign government representatives understood the decision.

Now what remains to be seen is the problems which will emerge in reaction to the decision, said Tucky.

The government has taken the decision to accelerate the application of domestic components but it still needs to be ascertained if the new policy will work or not.

We'll just see.

Although the government has only granted TPN pioneer status under the new policy, Bambang Trihatmodjo argued that the decision should apply to other automobile makes.

Ideally there should be three car brands, so there's competition, he said.

According to Bambang, prior to the release of the new policy, Bimantara as the holding company of PT Citramobil Nasional which produces the Hyundai car, was already involved in negotiations with its principal company in South Korea regarding the creation of a national car.

Bambang said the company was still awaiting a response from the Department of Industry and Trade. [passage omitted]

Philippines

Philippines Article Views U.S. International 'Mediator' Role

BK0803073796 Manila MANILA BULLETIN in English 5 Mar 96 p 10

[Article by Beth Day Romulo: "America's New Role: World Mediator"]

[FBIS Transcribed Text] Ever since the collapse of communism, America has been fumbling for a new foreign policy to replace its efforts to democratize the world and protect it from communism, the theme which drove American foreign policy for forty years. As each conflict has arisen since the Cold War era, the US response appeared to have been decided on an ad hoc basis dictated in large part by the pressure of popular opinion, formed by a public that watches television news coverage of world events.

Now, with a few notable diplomatic successes under its belt (Haiti, the Middle East, Bosnia) the US appears to have found a global role for itself as negotiator, and mediator among warring factions. And as the Philippines' former foreign secretary Bobby Romulo pointed out in a speech to the Asia Society in Houston last month, the United States can be a "stabilizer" within Asia, offering Asians a multipolar world, instead of a bipolar one anchored by China and Japan.

East Asia, in a single decade has developed at a rate never before witnessed in history, Romulo reminded his American audience. It has achieved a remarkable economic vitality and as yet an absence of conflicts. This is in part because of such successful regional groups for stability as ASEAN with its regional forum for security (ARF) and APEC (Asia-Pacific Economic Cooperation). During the Cold War, peace was maintained by a balance of power between the two superpowers

and their satellites. Today, peace in East Asia is maintained through cooperation and trust among neighboring countries. But, Romulo suggested, the US needs a stronger, more visible presence in Asia. Not through military might — it still has a military presence in Korea and Japan — but through stepped-up trade and investment, high-level visits and more cultural exchange. The US Government should actively promote American products, services and technology in SE (Southeast) Asia and greater private sector participation, Romulo suggested, which can be done through APEC.

Here in Asia China's worrisome sabre-rattling towards Taiwan is the major threat to the wondrously successful economic performance of East Asia which the World Bank assessed thus: "In no place and no time in human history has humanity achieved such economic progress."

Romulo reminded his audience that the China/Philippine dispute over Mischief Reef which occurred on his watch, was actually defused by the diplomatic positions taken by the European Union, the US and Japan. It will be important to keep China engaged in regional, multilateral organizations for the stability of the region. It is Philippine policy to promote economic integration of China with its neighbors.

During the Cold War when America was preoccupied with maintaining the balance of power, mediation, while a useful diplomatic tool, was not in the forefront of foreign policy. Today it offers the most constructive role that America can play. And the earlier mediation is used, the less costly a situation becomes. If mediation fails, the risks are minimal, hardly more than possible embarrassment and possibly not even that, since well-meaning mediation, even when it fails, usually wins world approval rather than opprobrium. The alternative, which is military intervention, can be enormously costly as proved true in Somalia.

Amitai Etzioni, a professor at George Washington University suggests (in an article in the Washington Quarterly) that mediation is the new world role for US foreign policy. When parties are at an impasse and need the good offices of an uninvolved third party, the US can broker resolutions. This proved true with the Middle East. It is proving true now in Bosnia. US mediation opened up the British/Irish talks, which though the ceasefire is now over and IRA violence has temporarily resumed, still has the possibility of continuing negotiations. Mediation is useful in the sense that the parties agree to it — which means they are both tired of the conflict and want a way out.

The possibilities of global mediation deserve serious consideration. The role of mediator answers the public need for a display of compassion and concern, without

risking the enormous expense of military intervention. It is certainly a preferable alternative to being the world's policeman.

Philippines Columnist Views Senator's Support of ACSA

BK0703105996 Manila THE MANILA CHRONICLE in English 22 Feb 96 p 4

[Article by Julius P. Fortuna from the "East and West" column: "Do We Need ACSA?"]

[FBIS Transcribed Excerpt] A story published on Tuesday [20 February] says Senator Juan Ponce Enrile believes it is legal for the government to enter an acquisition and cross-servicing agreement (ACSA) with the United States. We were a bit surprised by the news because we have all along assumed that the senator from Cagayan has become a defender of national sovereignty. Remember, he voted against the bases in 1991.

But today, he is back to his mould as a conservative lawyer. In a joint hearing called by the Senate Committee on Foreign Relations headed by Senator Ernesto Maceda, Enrile said that an ACSA would not violate the constitutional prohibition on the deployment of foreign troops in the Philippines.

According to the report, Enrile said that an ACSA would be consistent with the provisions of the 1951 Mutual Defense Treaty (MDT) which provides that both countries can enter into an agreement to help each other in case of external attack. The trouble with the general provisions of the MDT is that it can be invoked to justify any specific security arrangements with the United States.

By way of a background, the United States military is keen in entering into a supply agreement with the Philippines that would allow the superpower to deploy equipment for future use. The draft agreement is now being discussed by both countries at the technical level, although both parties are careful about its publication.

"East and West" believes that the main question in ACSA is not whether the draft accord is legal or not. After all, the question of legality is not the principal duty of the Senate; it is the Supreme Court's. The important question is whether or not the nation, at this period of its history, needs an ACSA. That is what the Senate should determine during the hearings.

The best way to find out whether the country needs an ACSA is to answer the question of what the country needs in terms of security. Is the country still being threatened from outside that it needs the security umbrella of the United States? If the country's answer is yes, then we need an ACSA with the US. If the answer

is no, then there is no point in even entertaining the proposal.

We hope that the debate over ACSA can go beyond legalities and dwell on the requirements of national interest. We have too many lawyers trying to spoil substantial debates. Let the legal question be left to the High Court. [passage omitted]

Philippines Official Comments on PRC Missile Exercise

BK0803062196 Hong Kong AFP in English 0612 GMT 8 Mar 96

[FBIS Transcribed Text] Manila, March 8 (AFP) — The Philippines is monitoring Beijing's missile-firing exercise in the Taiwan Strait "very closely," but hopes Taiwan and China will resort to diplomacy, President Fidel Ramos' chief aide said Friday.

"We really have to watch the situation very closely," Executive Secretary Ruben Torres told reporters.

"I think the international community is also watching this and we hope that there will be no serious consequences."

He said Manila hoped "this will be solved diplomatically."

China fired three M-9 surface-to-surface missiles off Taiwan's northern and southern coasts early Friday, the Taiwanese defense ministry said.

China is expected to continue the exercise for one week to pressure Taipei ahead of the island's first direct presidential election. Beijing considers Taiwan a renegade province.

"We are not involved in the problem right now," Torres said. "Our main concern, of course, is that we have workers (in Taiwan). But we have the contingency (evacuation) plan there and I hope they can implement this (if something happens)."

About 50,000 Filipinos are working in Taiwan, according to official estimates.

Philippines Official: PRC Missile Misfire Could Hit Philippines

BK0803130396 Hong Kong AFP in English 1220 GMT 8 Mar 96

[FBIS Transcribed Text] MANILA, March 8 (AFP) — Philippines Foreign Secretary Domingo Sison expressed concern Friday that a misfire by the Chinese during their current missile tests could hit part of the Philippines.

He said an error in the missiles' trajectory could directly hit the northernmost Philippine island of Batanes, which is 190 kilometers (117.8 miles) south of Taiwan.

"We hope that there's no miscalculation," Severino said.

Also Friday President Fidel Ramos' chief aide said Manila was monitoring Beijing's missile-firing exercise in the Taiwan Strait "very closely," but hoped Taiwan and China would resort to diplomacy.

"We really have to watch the situation very closely," Executive Secretary Ruben Torres told reporters.

"I think the international community is also watching this and we hope that there will be no serious consequences," he said, adding Manila hoped "this will be solved diplomatically."

Another source in the Foreign Department said the Philippine Airlines' three weekly flights to the southern Chinese city of Xiamen would be affected because of the tests.

Senator Blas Ople urged Ramos to convene his national security council to discuss the implications of a shooting war between China and Taiwan, noting the Taiwan Strait overlaps with the maritime boundaries of the Philippines' northern coast.

He called on Manila to come up with a national policy on the issue, saying a war could draw in the United States.

Ople sought a senate briefing by the foreign office, the defense department and the national security council.

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Philippines: Evidence Shows PRC Navy 'Doubling as Spies'

BK0603111196 Manila PHILIPPINE DAILY INQUIRER in English 23 Feb 96 p 2

[Report by Dave Veridiano]

[FBIS Transcribed Text] Military investigators have gathered more evidence tending to show that the 20 suspected international pirates arrested off Zambales on Feb. 10 were members of the Chinese Navy doubling as spies in the Philippine territorial waters.

These evidence are far more intriguing than the discovery of communications equipment which are believed to have been used in monitoring the radio transmissions from Armed Forces operating units, a naval investigation report said.

As the investigation goes on, a military report yesterday mentioned of yet another intrusions of Chinese vessels off the Zambales and La Union.

The incursions were made on Feb. 17 and 19 by vessels with Chinese markings on their bows and reportedly armed with .50-cal. machine-guns.

The evidence now being evaluated by the naval investigators were the discovery of another set of personal identification of the 20 crew and four different flags.

It turned out that aside from their Chinese identification papers — a complete set issued in her port of registry in Guangdong Province — the 20 suspected pirates also held documents showing they are Vietnamese.

"Why do they need other identities or nationalities? Only spies do that," an investigator told the INQUIRER.

The military report said that these set of identification papers were discovered in another hidden compartment of the vessel located slightly below the pilot's house.

The documents are composed of Vietnamese quarantine certificate cards for the boat captain and each of the crew members.

"These cards also bear the same photographs of the boat captain and some of their crew — except their names are all Vietnamese and all data reflected in these cards differ from the information reflected in their identification cards issued in China," the report said.

Another point raised by the investigators were the discovery of four flags — a Chinese flag, a Vietnamese flag, a Philippine flag, and the international quarantine flag — which would only show that the suspects were prepared to pose either as Chinese, Vietnamese, or Filipinos.

The quarantine flag, said the report, would be used to pose as a vessel under international quarantine, which simply means that the ship is healthy with free clearance given by health authority of the port.

"They can pass themselves off as Chinese or Vietnamese, but not as Filipinos," the investigator said. "They don't speak Tagalog. They didn't even know how to raise the Philippine flag. Even in raising the Philippine flag. That gave them away."

The report said that when first spotted by the Navy patrol boat, the Chinese vessel was flying no flag at all. However, just before the apprehension was made, the crew tried to fly the Philippine flag but they raised it red side up.

Philippines 'Ready To Repatriate' Filipino Workers in Taiwan

BK0803123196 *Quezon City GMA-7 Radio-Television Arts Network in Tagalog* 0945 GMT 8 Mar 96

(Italicized passages in English)

[FBIS Translated Text] The government is ready to repatriate all Filipino workers in Taiwan if necessary. This was the assurance given by Executive Secretary Ruben Torres. According to Torres, the number of Filipino workers in Taiwan has reached 130,000. Torres made the statement following China's test firing of two surface-to-surface missiles near Taiwan.

Meanwhile, Foreign Affairs Secretary Domingo Siazon said the government is still studying whether the Philippines will join in a condemnation of China.

In the meantime, tell us what the actual situation in Taiwan is after China's missile test. On the other line is Ambassador Armando Fernandez of the Manila Economic and Cultural Office based in Taipei. Our conversation is live:

[Newscaster Mike Enriquez] Amb. Fernandez, good afternoon. This is Mike Enriquez if you remember.

[Fernandez] Yes.

[Enriquez] First, Mr. Ambassador, we want to know if you could feel the firing of the two missiles by China there?

[Fernandez] Not really. We heard that there was also a test this afternoon, but no, there was no noise or no shaking of the ground. Life here in Taipei is very normal.

[Newscaster Karen Devila] Good afternoon, Amb. Fernandez. This is Karen Devila. Sir, how fast can you evacuate the Filipino workers in the event a war breaks out between China and Taiwan?

[Fernandez] We have a routine contingency plan if that happens. For now, we are monitoring the situation. There is none. There's no need for such plan to be reactivated. If, however, there is ever a need, we have a network of nongovernmental organizations all over Taiwan. In addition, we have offices in Kaohsiung and (Taichung) that will help us. The religious missionaries here and the priests and nuns who are all over Taiwan can help us also.

[Enriquez] Mr. Ambassador, you mentioned earlier that there was a missile fired recently by China near Taiwan?

[Fernandez] The news that we received here was that there was one near Taipei, but it's really not that close considering that it was approximately 35 km away, 20 nautical miles off Taipei. And the other one is 30 nautical miles off Kaohsiung; that's the southernmost tip of Taiwan, which is closer to us. That is also about 51 km from Kaohsiung.

[Enriquez] Okay, last question, Mr. Ambassador. What is Taiwanese sentiment now that the elections are drawing near? Who is most likely to win: the candidate who is pro-China or the one that is anti-China?

[Fernandez] We cannot determine that. Well, the press here, however, said — even the opposition candidate and the major opposition candidate who is running against President Li's reelection — that these actions by mainland China may unite the Taiwanese. Although the press here have said that *these testings are being done to influence the people against the incumbent* — the incumbent here in Taiwan, President Li — one of his opponents, however, said it *might be counterproductive because they might unite in President Li's favor, if only to show the other side that they are united against these threats.*

Philippines: Taiwan Vessel Apprehended for Illegal Fishing

BK0803024496 *Manila BUSINESS WORLD in English* 8 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] A Taiwanese vessel was nabbed off the shores of Sta. Ana, Cagayan last Monday [4 March], according to reports reaching Camp Aguinaldo.

In a report sent by Navy Lt. Pablito R. Togonon, naval public information officer, he said elements of Naval Task Force 12 based in Casambalanga, Sta. Ana apprehended the foreign boat marked "Ta Shen" for allegedly violating maritime laws.

The Taiwanese boat was caught illegally fishing within territorial waters. Lt. Togonon said the fishing boat did not have the commercial fishing boat license and certificate of inspection and lacked safety equipment.

Commodore Osafre Q. Marcelo, commander of naval district 1, said the three Taiwanese nationals caught on board did not have working permits, while the seven Filipino crewmen did not possess identification cards.

The crew of the ship is detained at the San Vicente naval operations center in Cagayan for further investigation.

Military sources also said the crew may be charged with illegal fishing.

A Malaysian fishing vessel was also caught by naval elements in the same area last month.

Military sources said the prevalence of illegal fishing in the area by foreign fishing boats is an indication of the Navy's weakness to curb the activity.

The source added the Navy continues to be burdened by the lack of fast patrol and attack ships capable of intercepting the small foreign vessels.

Last month, three foreign vessels with Chinese markings were spotted off the coast of Zambales.

The source said although navy patrol ships were able to challenge the foreign vessel armed with caliber .50 machine guns, the patrol boats were unable to catch up with the intruders.

Lt. Togonon also reported a navy patrol gunboat was able to intercept a ship from Gen. Santos City, South Cotabato for carrying an unlicensed carbine rifle with 110 rounds of ammunition.

The M/V [Motor Vessel] Maria-8, owned by Emelita Ortells of Bula zone, Gen. Santos, may soon be facing charges for allegedly allowing an unlicensed firearm inside her ship.

M/V Maria-8 skipper Salvador Eco reportedly surrendered the rifle to the coast guard station in Gen. Santos for filing of charges.

Philippines: Catholic Church Offers To Administer Refugee Camps

BK0703075596 Quezon City Radio Filipinas
In English 0230 GMT 7 Mar 96

[FBIS Transcribed Text] The Catholic Church had asked for a gradual turnover of the administration of the refugee camp in Carraguan, Puerto Princesa City in Palawan from the Western Command to church officials and nongovernment organizations. The camp houses 2,000 Vietnamese refugees. A Western Command of-

ficer who requested anonymity said officials of the Catholic Church and the military will discuss the former's proposal over the month.

The Catholic Bishops Conference of the Philippines earlier said it has more available funds to support the camp than the Department of Foreign Affairs, especially for the repatriation of the Vietnamese refugees before 30 June, saying that the government could no longer provide the 30 million peso annual budget needed to maintain the camp.

As this developed, participants in the international forum on the Indochinese refugees are set to reaffirm today their earlier position to repatriate the Vietnamese boat people remaining in various camps in Asia. This was announced by Foreign Undersecretary Rodolfo Severino. Severino said the international conference on Indochinese refugees being held in Geneva, Switzerland will cap its final meeting today with the reaffirmation of the decision they made during the forum held in Bangkok, Thailand last 14-15 January. He added that some 39,000 Vietnamese from various countries will be repatriated before 30 June, when the United Nations High Commissioner for Refugees closes down all camps housing the asylum seekers.

More than 1 million Indochinese refugees left for foreign countries after the government embraced the communist ideology 10 years ago. Aside from 39,000 Vietnamese who will be brought back to their country, the rest were allowed to resettle in countries where they took refuge as political exiles.

Philippines: Investment Accord Signed With Belgium, Luxembourg

BK0703104396 Manila BUSINESS WORLD
In English 7 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Representatives of the Philippines, Belgium and Luxembourg yesterday [6 March] initialed an investments promotion and protection accord aimed at increasing economic cooperation and generating favorable trade and investment opportunities among them. The agreement were the 16th and 17th respectively in the list of signed bilateral cooperation with the Board of Investments (BoI).

BoI Governor Conrad Leviste and Counsellor L. C. Storme of the Belgium Ministry of Foreign Affairs will then turn over the agreement for formal signing to the authorized representative of their country's leaders: in the case of the Philippines, to Secretary Rizalino Navarro of the Department of Trade and Industry.

This initializing is a prelude to the arrival of top-level trade and investment mission on Friday (8 March) headed by Prince Philippe. Under the most-favored-nation clause of the agreement, Belgian firms will enjoy the same privilege given to the other 15 countries with which the Philippines has forged similar accord. The line-up includes Chile, Canada, Iran, Thailand, the Czech Republic, Australia, France, Republic of Korea, Romania, Spain, China, Vietnam, Italy, Netherlands, and Great Britain with Northern Ireland.

Philippines Press Reviews 'Top Stories' 6 Mar
BK0803100396 Manila PNA in English
0725 GMT 6 Mar 96

[From the Press Review — received via Internet]

[FBIS Transcribed Excerpt] Manila, Mar. 06 (PNA) — Following are the top stories and excerpts of commentaries in the major English-language Philippine newspapers today:

STAR — Zamboanga troops placed on full alert

The military placed troops in Western Mindanao under red alert following intelligence reports that the extremist Abu Sayyaf group will stage simultaneous assaults in key cities on March 15...

Gunboats, helicopter gunships and armored vehicles have been deployed in Zamboanga del Sur, Zamboanga del Norte, Sulu, Tawi-Tawi, and Basilan to support ground troops...

Battle-ready soldiers have been beefed up by Zamboanga's Internal Defense Forces to man checkpoints throughout this city...

Even private security guards have been tapped to keep watch on banks, commercial establishments, and several radio stations in Western Mindanao...

"We do not want to be caught flat-footed as what happened in Ipi Town (Zamboanga del Sur)," said a top military intelligence official, who requested anonymity. "The incident was a lesson for us."... [passage omitted]

Other page one stories: [passage omitted]

New Chinese structures sighted on Spratlys

The military yesterday said new structures had been built on an island claimed by the Philippines in the disputed Spratlys in the South China Sea...

The structures were spotted by an Air Force reconnaissance plane on the Panganiban Reef as it took aerial photos of the Kalayaan Group of Islands amid reports that foreign vessels were cruising the area...

The structures resembled a cluster of huts but did not have any markings that would identify their owners, sources at Navy intelligence said...

The sources said six other claimants to the Kalayaan Group have also installed electronic devices to boost their force in case hostilities break out in the area...

The AFP [Armed Forces of the Philippines] chief, Gen. Arturo Enrile, brushed aside apprehensions of war breaking out, saying the structures were shelters for fishermen. (CHRONICLE) [passage omitted]

EDITORIALS/COLUMNS (EXCERPTS) [passage omitted]

MAX V. SOLIVEN (STAR): Now that Nur Misuari of the Moro National Liberation Front (MNLF) is playing his final "blackmail" card by threatening renewed "war" in Mindanao if Muslim "self-rule" is not granted for 13 provinces and nine cities in Mindanao, we must brace ourselves for real "terrorist" attacks — this time...

Misuari and his henchmen must realize by now that — much as the government negotiators might wish to give in to his demands in a vain effort to buy "peace" in the South — angry public opinion on the part of Mindanao's Christian majority and the rest of the nation won't countenance such a sellout. Let's hope for the best at this perilous juncture, but expect the worst. Si vis pacem, pare bellum. That's the word those old warriors, the Romans, have for the situation...

Misuari and his gang need a bigger bargaining chip, and may resort to an escalation of violence.

STANDARD (Light at tunnel's end): Chances of the impasse in the peace negotiations between the government and the Moro National Liberation Front being broken have brightened with the Muslim governors coming out openly in favor of a plebiscite on the MNLF demand for an expanded Muslim autonomous region in Mindanao.

In a press conference last Monday, Sulu Gov. Habib Tupay Loong said MNLF Chairman Nur Misuari must be "realistic" and agree with the government that the territorial jurisdiction of the Autonomous Region for Muslim Mindanao cannot be expanded without a plebiscite among the inhabitants concerned.

Misuari cannot afford to ignore the admonition of the five governors, not only because they are Muslim leaders but also because at least he, Salapuddin, and Maiba were once MNLF commanders and presumably still have influence on their former men. At the same time, the Muslim heads of state in the Organization of Islamic Conference who have been sympathetic to the MNLF cause will probably modify their attitude towards the Muslim secessionist movement.

They have been made to believe that the Muslims in this country have not been properly and justly treated by the central government. They presumably believed that the Muslims were united as one behind the demands of Misuari.

The stand of Loang and the other Muslim governors has belied that presumption...

Philippines Military Sources: Terrorists Enter Through South

BK0703102996 Manila THE MANILA CHRONICLE
in English 24 Feb 96 p 6

[Report by Edith Alejandro with Rey Requejo]

[FBIS Transcribed Text] Several foreign terrorists have been regularly entering the country through its backdoor in the South [Mindanao], military intelligence said yesterday.

Highly-placed sources at Camp Aguinaldo said in an interview that foreign nationals believed to have ties with local terror groups and secessionists were seen recently entering and leaving the country through Mindanao.

The alleged terrorists have "fictitious names, passports and forged documents" and authorities are having a hard time establishing their own identity and nationality, the sources said.

"There are lots of foreign nationals coming in and out of the country through the backdoor, but we can't immediately establish their nationalities. Magkakahawig and mga iyan [They look similar]," one official said.

Pakistanis, Libyans and Iranians, all bearing false names and identities, have been linked by authorities to the Abu Sayyaf and other extremist groups in the South.

The foreigners were suspected of training the groups in sabotage and other terroristic activities.

The military also suspect that the foreigners were smuggling high-powered firearms to the rebel groups.

Both the military and police earlier denied reports that foreign terrorists have already infiltrated local terror groups, saying that nothing much has been established and all information are still subject to thorough verification.

Senator Nikki Coseng urged authorities to come out regularly with the pictures or descriptions of suspected terrorists to facilitate their arrest.

The proposal came on the heels of the four-day conference on international terrorism in Baguio City wherein security experts from 19 countries adopted several measures to combat international terrorism.

Philippines: MNLF Chief Reports on Status of Peace Process

BK0803123296 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 0945 GMT 8 Mar 96

(Italicized passages in English)

[FBIS Translated Text] The Moro National Liberation Front (MNLF) will blame the government if war breaks out in Mindanao. Why is this so? Let us hear now from our correspondent Arnold Clavio. Arnold, come in:

[Begin Clavio recording] Okay, let us inquire about the situation here in Mindanao. [MNLF] Chairman Misuari, is it true that you received information about a conflict that almost ensued this week?

[Misuari] Yes. The MNLF leaders were already ready when I arrived here because they heard numerous reports from the newspapers and those spread by the people that the cease-fire had already ended. So, all of them asked if they could start. I said: What do you mean by starting? I did not know what they meant by that.

So, it was good that General (Quiblan) was here, and he heard about this development. I asked the general what we could do about this. *So he tried his best to calm down the situation, and then the people asked me not to go to the countryside.*

They said they would start trouble if I made the mistake of going to the countryside and did not stop here. I said there has been a big mistake, a *misunderstanding*, because the peace talks are still continuing, and the *cease-fire is still ongoing, and we are going to strengthen it.*

[Clavio] You mentioned the peace talks. I just want to know the status of the talks. Where are we now? Is there a big problem, or only a minor one?

[Misuari] Well, I think it is very minor. The problem here is the unresolved establishment of procedures. I think that it is not *substantive* anymore. All the substantive problems are almost resolved.

[Clavio] You might want to appeal to the people to avert more bloodshed here in Mindanao so that we can achieve peace. This is your chance now, Chairman Misuari.

[Misuari] Well, I just want to say this to everyone listening to me in this interview: I ask everyone to remain calm and to support the cease-fire and the peace process. I ask President Ramos, if possible, to do all he can to resolve this problem. Thank you. (end recording)

Thailand**Thai Embassy in U.S. Seeks Clarification of Drug List***BEK003071396 Bangkok Radio Thailand Network
in English 0000 GMT 8 Mar 96*

[FBIS Transcribed Text] Following a report on 31 countries with problems of drug production and trafficking mentioned by U.S. President Bill Clinton in his letter to the Bureau of International Narcotics Matters in the State Department, the Royal Thai Embassy has sought clarification on the matter and reported to the Ministry of Foreign Affairs in Bangkok. The embassy was told that the U.S. President sent its letter to ranking members of the Senate Committee on Foreign Relations, the Senate Committee on Appropriations, and the House Committee on Appropriations citing 31 countries — Thailand included — as those with problems of illicit drugs, as production sites or transit points. The letter mentions Thailand only once in the first paragraph without highlighting the country regarding illicit drugs.

The U.S. State Department explained that the letter was done in accordance with Article 49 of the Foreign Assistance Act of 1961 observed by every U.S. President since 1961, and the letter was usually submitted in November. However, due to budget dispute, the letter was delayed to February this year. It was pointed out that the list was similar to that of previous year without withdrawing any countries from the list. This year Belize and Cambodia were added to the list.

The U.S. State Department, meanwhile, is preparing the International Narcotics Control Strategy Report 1995 to be publicized in March this year.

Thai Minister Amnuai Urges More Thai-PRC Cooperation*BEK0703065296 Bangkok BANGKOK POST
in English 7 Mar 96 p 17**[Report by Somphon Thapphaasachai]*

[FBIS Transcribed Text] Beijing — Deputy Prime Minister [PM] Amnuai Wirawan yesterday encouraged more joint ventures between Thai and Chinese investors.

He said Thailand was more advanced in marketing, management, capital and technology, but China had a lot of resources, labour, and a huge market with 1.2 billion population.

Dr Amnuai was speaking at a seminar on "A Retrospective and Perspective View of Thailand: the Kingdom of Growth." It was the first in a series of seminars abroad over the next year to promote economic inter-

ests of Thailand. Others will be in Osaka, Frankfurt and Chicago.

He said China will become a superpower in the near future, so Thailand wanted economic cooperation on every level.

Both countries are cooperating economically at a sub-regional level under the Greater Mekong Basin, Asia Pacific Economic Cooperation, and Asia-Europe Meeting. And Thailand intends to support China to become a member of the World Trade Organisation (WTO).

Thailand and China also have good bilateral trade relations which trade has grown an average 18.6 percent a year in the past ten years. China now is the 10th largest trader with Thailand.

Dr Amnuai said he believed China would try to reduce its trade barriers and expected that trade relations between the two countries would expand to more than 20 percent annual growth.

Dr Amnuai said Thailand had more investment in China than any other country with more than 1,800 projects worth about 75 billion baht but the Thai government still wanted to promote more investment of small- and medium-scale industries to invest in China.

Phongsak Ungsuphan, Deputy Secretary of the Board of Investment, said there are many opportunities for investment in China as the country has just opened for foreign investment.

However, there will always be problems which Thai investors should be aware of or they will fail. Thai investors could benefit from investing in labour intensive industries because of cheap labour.

Though Thailand did not expect much investment from China due to its newly-opened status and a lack of capital, Kroek-krai Chiraphaet, director general of the Business Economic Department said Chinese investors should look into Thailand because of its access to the greater markets of ASEAN.

ASEAN will include Cambodia, Laos and Burma in the year 2000 when the potential market will have a population of about 500 million which is more than 40 percent of the present Chinese market.

More than 90 percent of products traded among ASEAN will have a zero tariff rate under ASEAN Free Trade Area (AFTA) so investments in Thailand will be fruitful, he said.

Mr Phansak [name as published] said Board of Investment had launched a programme to promote investment of high technology industries like electronics and cars

and urged Chinese investors to invest in special zone to gain extra privileges.

Mr Kroek-Krai said although Thailand exported about 70 percent of production, it still needed to import raw materials such as chemical, steel and minerals, so China should consider expanding its export base of these products to Thailand.

Thailand: Singapore Hands Death Sentence to 5 Workers

BK0703085496 Bangkok Radio Thailand Network in Thai 0530 GMT 7 Mar 96

[FBIS Translated Text] The Singapore Supreme Court has announced death sentences for five Thai workers accused of murder.

After the death penalties were imposed on the five Thai workers in Singapore, Thailand's Ministry of Foreign Affairs made an appeal to the Singapore president requesting lesser sentences for them. According to the latest report, the Singapore Ministry of Foreign Affairs has informed the Thai Embassy in Singapore that such a request has been turned down. The prison has set the execution of the five convicted men for Friday, 15 March.

The five Thai prisoners, all men, are Prasong Bunsom, Panya Manmontri, Panya Amphawa, Prawit Yaowabut, and Manit Wangchaisung.

Thailand: Cross-Border Trade Boosted With Indonesia, Malaysia

BK0803063296 Bangkok THE NATION in English 8 Mar 96 p A10

[Report by Nopphon Atchariyawanit, counsellor to the Department of Economics of the Ministry of Foreign Affairs]

[FBIS Transcribed Text] While the architects of the Greater Mekong Subregion (GMS) have emphasized the importance of constructing an efficient transportation network, the planners behind the Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) have singled out smoothing the movement of goods, services and people among the three countries as their primary goal.

The governments of the participating countries have pledged to simplify and coordinate their respective cross-border procedures in order to increase the volume of trade and investment in addition to creating a favourable atmosphere for trade and providing the necessary infrastructure. The ultimate aim is to boost cross-border economic activity.

For the IMT-GT, the cross-border issue mostly concerns customs and immigration procedures a) the extension of opening hours of the border checkpoints, b) joint inspection at the border checkpoints and c) standard application forms of customs and immigration.

Prior to the emergence of the IMT-GT, the Thai and Malaysian people could cross the border only 13 hours a day. Thailand's repeated requests to extend the opening hours were turned down by Malaysia but Kuala Lumpur's attitude changed with the launching of the growth triangle. The Malaysian government has agreed to extend by three hours the border opening time at three border checkpoints, namely Padang Besar (opposite Thung Mau of Thailand), Bukit Kayu Hitam (opposite Sadao) and Rantau Panyang (opposite Su-ngai Kolok). The three border checkpoints have been operating from 06.00 am to 10.00 pm since Jan 1.

As a result, the number of people crossing the three border checkpoints has grown 30 per cent. The volume of trade has also increased, and tourist activities have intensified. The success of the longer hours has encouraged Thailand in its push to have the border opened 24 hours a day.

At the nascent stage of the IMT-GT, a proposal to introduce "smart cards" which could be used as an immigration pass was put on top of the agenda. But it was found that implementation of the scheme would be too expensive and to protect the integrity of immigration procedures it would need to be used with a passport. At present, members of the Thai-Malaysian Joint Commission are focusing on the introduction of a border passport. Thailand and Malaysia have agreed to extend the validity of the border pass for three years, and allow it to cover all types of visits. The IMT-GT countries are of the view that the border passport could facilitate the freer movement of goods, services and people within the IMT-GT area. The greater the flow of goods, services and people, the thinking goes, then the greater the volume of economic activity will be.

Joint custom and immigration inspection at the border is another significant topic under discussion. The IMT-GT countries are of the opinion that the existing customs and immigration procedures should be simplified and reduced. Instead of the current system which requires checking by authorities from both the receiving and sending countries, they are considering a single inspection policy. The question remains however on how to implement the policy. There are two options. The first is to set up a joint customs and immigration office at the border. The authorities of the sending and receiving countries will be posted there and conduct a joint inspection.

The second option is to send official from the sending country to be posted at the border checkpoint of the receiving country and conduct a joint inspection. However, both options concern the internal laws of the two countries and any agreement will require a special agreement on joint inspections at the border. In this connection, Thai customs authorities are scheduled to hold a meeting of experts at the end of this month in order to consider the options.

The last issue concerning the single inspection proposal is the application form for customs and immigration. The IMT-GT countries believe that a standard application form for customs and immigration which is easy to understand and fill in would facilitate the movement of goods and people across the border. It is viewed that the standard application form should be written in English and the language of the receiving country. In this regard, the goal of the IMT-GT countries is similar to that of ASEAN which is working towards introducing a standard application form for customs and immigration among ASEAN countries. The IMT-GT countries have thus agreed to wait for ASEAN to produce its regional standard first.

It is believed that the facilitation of the movement of goods, services and people between the IMT-GT countries could help expand economic and tourist activities. This would create more jobs and increase the incomes of local people which is the ultimate goal of the IMT-GT and other economic cooperation frameworks.

Thailand: 'Special Task Force' Sent to Burmese Border

*BK0703052996 Bangkok BANGKOK POST
in English 7 Mar 96 p 6*

[Unattributed report]

[FBIS Transcribed Excerpt] Mae Hong Son — A border school was forced to close after fighting between Burmese troops and Karenni National Progressive Party fighters opposite Ban Doi Saeng, Tambon Pang Mu, in Maeng District yesterday.

Provincial Primary Education chief Samrit Phattharangsarn ordered the closure of the school after two mortar shells landed in Ban Mai Sa-pe at about 1 p.m., forcing Thai villagers, 80 students and five teachers to run for cover.

He closed the school amid fears students and teachers might be caught in the crossfire between the two rival groups.

Military sources said hundreds of Burmese troops were fighting the rebels in a bid to seize Kayah villages along the Thai-Burmese border.

The Third Army yesterday dispatched a special task force from the 7th Infantry Regiment to Ban Doi Saeng Pass to help prevent the fighting spilling over the border. [passage omitted citing AFP]

Thai Premier 'Snubbing' Aung San Suu Kyi on Burma Trip

*BK0803055296 Bangkok THAILAND TIMES
in English 8 Mar 96 p A1*

[Report by Saranyu Samakrathakit and Atsawin Phinitwong]

[FBIS Transcribed Text] Bangkok — Prime Minister Banhan Sinlapa-acha has no plans to meet Burmese pro-democracy leader Aung San Suu Kyi during his trip to Rangoon later this month.

He is reportedly snubbing the 1991 Nobel Peace Prize winner because of Thailand's policy of "constructive engagement," said a Foreign Ministry official.

He said the famous activist's fight for democracy and human rights is an internal matter, adding that Suu Kyi does not appear to represent any political organization opposing the junta's rule.

Foreign Minister Kasemsamson Kasemsi yesterday said Banhan will meet with State Law and Order Restoration Council (SLORC) chief, Gen Than Shwe, and other leading members of the junta, including Secretary 1 Lt-Gen Khin Nyunt.

Thailand and the Association of Southeast Asian Nations (ASEAN) have repeatedly stated that human rights and democratic development in Burma is an internal affair, arguing that pressuring the junta on such sensitive issues could impede the country's economic development.

Banhan will visit Rangoon sometime between March 15 and 18.

The official said border disputes between Thailand and Burma, particularly those concerning demarcation and border trade, will rank highest on Banhan's agenda.

Burmese embassy officials declined to comment on the prime minister's visit, saying they were not authorized to disclose any information.

"For security reason, we cannot say anything," said an embassy official, who spoke on condition of anonymity.

A series of low-level official visits are expected to follow Banhan's trip.

Burmese Prime Minister Gen Than Shwe visited Thailand in December last year at the invitation of Banhan.

His deputy Vice Premier Adm Maung Maung Khin also made a low profile visit to Thailand earlier that month.

Uthai Singthong, an official at the Thai embassy in Rangoon, said Banban's visit may last only one day.

In another development, the Thai government yesterday had a causeway, which was built on the Thai side of the Moei river removed in compliance with demands by the Burmese government.

The causeway was built several years ago by business concerns to close the gap between a small islet in the middle of Moei river and the main territory.

Rangoon claimed Thailand was using the causeway to alter the natural border demarcation and encroach on its territory.

Deputy Interior Minister Suchat Tancharoen, Burmese ambassador to Thailand Tin Wian and Deputy Military Attache Hla Than yesterday went to the disputed border area in Mae Sot district to monitor the removal of the causeway.

The removal of the causeway was one of the five conditions made by the Burmese authorities for the reopening of border checkpoints.

Thailand: Nam Thai MP Criticizes Foreign Minister's Performance

BKD703065496 Bangkok THE NATION in English
7 Mar 96 p A6

[Interview with Nam Thai Party MP Prasit Narongdet by Sorayut Suthatsanachinda; place, date not given]

[FBIS Transcribed Text] [Suthat] Foreign Minister Kasemsamson Kasemai said he was pressured by a group of Nam Thai MPs to quit. Is this so?

[Prasit] He has to make his own decision to quit or not to quit. If he wants to quit, it is his own will. If he wants to stay, that is his own right. Although appointment of a Cabinet member has to be endorsed by the party's executive board, the party cannot prevent someone from leaving his post.

[Suthat] What do you think about Kasemsamson's performance as foreign minister?

[Prasit] A Cabinet member has to be an initiator instead of an implementer of policies. A minister must have vision and hand down policies for permanent officials to implement.

Several events which they (the Banban administration) said were successful, including the Asia-Europe Meeting, ASEAN summit and APEC [Asia-Pacific Economic Cooperation] meeting, were not initiated by this govern-

ment. The foreign minister should not claim credit for events he did not initiate.

[Suthat] Did you see any initiative by the foreign minister during the past seven months?

[Prasit] Frankly, no.

[Suthat] Why didn't Nam Thai MPs propose their suggestions on what the foreign minister should do to him during party meetings?

[Prasit] It would be useless to do so because he does not attend party meetings.

[Suthat] Did you talk to Nam Thai leader Amnuai Wirawan about this problem?

[Prasit] Yes, I did, but I don't know if he passed the message on to Kasemsamson or not.

[Suthat] Did you join the group of Nam Thai MPs who reportedly travelled to Hong Kong to plan a campaign to chase Kasemsamson out of office?

[Prasit] We didn't gather there to plan his ousting. We don't have the power to remove him because we have only eight or nine MPs, while the party's board includes some 40 to 50 executives.

[Suthat] Did you go to Hong Kong with the group?

[Prasit] No, I didn't. I went to Ubon Ratchathani. I try to keep a low-profile because I don't want to be viewed with suspicion.

[Suthat] Some said you were involved, by sponsoring the trip to Hong Kong.

[Prasit] I did help support (the trip) in the form of pocket money. But when the group made provincial visits, I also supported them. It's normal financial assistance.

[Suthat] What do you expect the foreign minister to do to help Nam Thai MPs?

[Prasit] The MPs always complain that they don't know what the minister is doing. I have been paying close attention to foreign affairs but I still don't know anything that I could cite as his success.

The foreign minister's secretary said that if I was appointed foreign minister, I would have to hire an interpreter. The secretary did not know that since 1957 I have been able to communicate in several foreign languages. I know Mandarin, which is used by some 25 to 30 per cent of the world. I also know Lao, Khmer and a little Japanese.

I am certain no one in Nam Thai knows more foreign languages than I do.

[Sethat] If you are assigned to hold the foreign minister post, are you sure you will be able to perform better than the current minister?

[Prask] Let me put it this way: I left my businesses voluntarily to play politics because I believe I can do something to serve the country. My friends and family say I can, too.

Thai Article Views Supreme Commander, Defense Minister's Conflict

BK0703151296 Bangkok LAK THAI in Thai
10 Mar 96 pp 37, 38

[Article: "Was 'Big Chiu' Really Sick When He Abruptly Canceled His Golf Game With 'Wirot'?"]

[FBIS Translated Text] Sour relations as well as conflicts over several issues between Defense Minister General Chawalit Yongchaiyut and Supreme Commander General Wirot Saengsanit have been frequently reported lately, while many people have speculated that General Chawalit might remove General Wirot from the supreme command in the out-of-season military reshuffle to take place in April.

In so doing, "Big Chiu" [General Chawalit] wants to prove to General Wirot that the latter does not have any power base in the armed forces at all.

It was "Big Chiu" who arranged for General Wirot to be appointed as commander in chief of the armed forces as a way to mend his rift with the Class 5 graduates of Chulachomklao Royal Military Academy [CRMA]. Otherwise, General Wirot would not have had any chance in climbing to the top military post.

Originally, General Phaiwan Emphan was supposed to become the fourth army commander, a position which belongs to the Chulachomklao Military Academy [CRMA] Class 5. The former three army commanders of CRMA Class 5 were General Suchinda Kraprayua, General Itasaphong Nunphakdi, and General Wimon Wongwanit.

It was CRMA Class 5 graduates who managed to keep General Pramon Phalaen, a graduate of CRMA Class 6, in an inactive post in the Supreme Command Headquarters. However, General Pramon was later appointed army commander.

General Phaiwan Emphan and General Chawalit have been in fact close military colleagues since the former served as the assistant army chief of staff for operations.

To prevent any further decline in his ties with CRMA Class 5 graduates, General Chawalit accepted the proposal of Prime Minister Banhan Silape-acha to appoint General Wirot Saengsanit as supreme commander.

General Chawalit managed to smoothly build up his power in the three armed forces by placing his men in important positions. Besides the Army under the command of General Pramon, he maintains intimate ties with Air Force Commander Air Chief Marshal M.R. Siriphong Thongyal, despite the latter's conflict with an influential arms dealer which led to the attempt to throw him out of the Air Force.

General Chawalit's intervention in settling the conflicts between the Air Force and politicians in the operation of the Bangkok International Airport and THAI International, the national flag carrier, has won the heart of Air Chief Marshal M.R. Siriphong.

It is apparent that the Army, Air Force, and Navy are faithfully following the policy of General Chawalit.

The Supreme Command Headquarters of General Wirot Saengsanit is the only military organ that has frequently deviated from the common direction of the armed forces. General Wirot openly voiced his opposition to General Chawalit's view on the appointment of senators under the quota allocated to the military. As a result, a question was raised among the military personnel as to whether the supreme commander or defense minister had the authority to select the senatorial nominees.

Eventually, General Chawalit came out to announce that he, in his capacity as defense minister, has the authority to select senatorial nominees from the three armed forces.

General Chawalit received the list of senatorial nominees from General Wirot for further screening before submitting it to the prime minister.

It appears that Supreme Commander General Wirot Saengsanit was not in the list General Chawalit handed to Prime Minister Banhan.

Moreover, General Chawalit later said that the list he forwarded to the prime minister did not include the supreme commander because the latter had earlier said during an interview that he did not want to be a senator and would resign if he is appointed.

However, General Wirot later told reporters that the list he prepared did not contain his name because it would be improper for him to propose himself. However, he added, if the prime minister deems it appropriate to appoint him, in his capacity as the supreme commander, to the senate, he could do so.

In a bid to extinguish the fire of unscrupulous rumors, General Wirot recently invited the commanders of the three armed forces, General Chawalit, and Prime Minister Banhan for golf.

However, General Chawalit and Army Commander General Pramon did not show up for the game. Coincidentally, both of them claimed they had suddenly fallen "sick."

Nobody knows if General Chawalit and General Pramon were really sick that day. Critics believed that it was a political sickness that prevented them from joining the golf game.

Attempts have been made to discredit "Big Chiu" and demur his ever-growing political grandeur. Rumors have been spread to create dissension between the defense minister and prime minister.

Leaflets were circulated in the three armed forces and mass media circles accusing General Chawalit of trying to topple Prime Minister Banhan, and fanning the Kockums submarine bribery allegation against the Chat Thai Party and the corruption scandal involving Dr. S or Finance Minister Surakiat Sathianthai. General Chawalit was said to have been planning a silent power seizure in collaboration with his former aide-de-camp Lieutenant General Thammarat Itsarangkun na Ayutthaya, commander of the National Security Center.

Meanwhile, it was reported that Prime Minister Banhan is planning another cabinet reshuffle in the next few days. In the new cabinet line-up, the prime minister will give the post of interior minister to General Chawalit so as to put an end to the rivalry for the post between the two Chat Thai Party factions. General Wirot is to be appointed the new defense minister succeeding General Chawalit.

General Chawalit has rejected this report as groundless. There is no reason for him to stop building up his influence in the armed forces and take up the top post of the Ministry of Interior, where he once had very bitter experiences.

This type of report was designed to suppress General Chawalit's influence in the armed forces and convince the people in military circles of General Wirot's increasing power.

Thailand: Southern Seaboard Project Faces Major Overhaul

BK0703053596 Bangkok BANGKOK POST
in English 7 Mar 96 p 1

[Report by Chakrit Ritmoetri]

[FBIS Transcribed Text] The Southern Seaboard Development Project will have to be overhauled because of concerns about its environmental impact and the economic viability of the landbridge, said a senior government planner.

Construction of deep-sea ports, a highway and oil pipelines as envisioned in the plan "poses serious threats to fertile natural resources" in the areas earmarked for construction, said Dr Phonchai Ruchiprapha, director of the Office of the Southern Seaboard Committee.

The location of a deep-sea port on the Andaman coast at Tha Lan Bay in Krabi's Muang District is unsuitable because it is situated on at unique site composed of beautiful islets and pristine mangrove forests, he said.

Meanwhile, a study of the landbridge by the committee found that it is not economically viable.

Dr Phonchai said the concept of a landbridge is to reduce the cost of transporting oil and cargo containers from Europe and the Middle East to the Far East. Calculations revealed the benefit to be derived from the landbridge compared to transportation through the Malacca Straits is so little it does not make economic sense.

"The cost of shipping oil or containers from Europe or the Middle East to Japan or Korea via the Malacca Straits is cheaper than offloading the goods at Krabi to be transported to Khanom through the landbridge which saves only a few days," he said.

"Consequently, the original southern seaboard project will have to be overhauled and another solution found."

Dr Phonchai declined to say where any new locations of the deep-sea ports would be.

The plan to promote development in the southern region was conceived as a result of a study carried out by Bechtel International Inc, an American consultant firm, between 1991 to 1992.

Dr Phonchai said: "The consultant pinpointed the landbridge as the primary development strategy considering the engineering feasibility as a guideline of project design."

According to the original master plan, the deep-sea port sites at Tha Lan Bay and Khanom in Nakhon Si Thammarat were chosen because of the deep waters of their respective channels.

The highway route serving as a landbridge linking these two ports stretches through flat plains which is convenient for construction.

However, because it has to pass through fertile mangrove and upland forests, some sections of the route or even the entire route may be shifted to another location.

Dr Phonchai said a Belgian consulting firm, Ecolas Co and SEATBC Co (Thailand) are currently jointly

carrying out an Environmental Impact Assessment study with financial support from the Belgian Government.

The study will be finished in December.

According to Dr Phonchai the study will assess the environmental impact of the project as a whole, not its individual elements such as oil pipelines or oil refinery plants.

Meanwhile, a top economist said he has opposed the southern seaboard project on the grounds it promotes pollution-prone industries such as petrochemicals on a site with the most fertile natural resources and pristine environment in the country.

The southern provinces of Krabi, Phang-nga and Phuket have great potential for the tourist industry which sits better with the environment than heavy industry, said Dr Chalongsophon Susangkhorakan, newly-appointed president of the Thailand Development Research Institute.

Vietnam

SRV Foreign Ministry Spokesman Declines Comment on PRC Missile Drills

*BK0803053796 Hong Kong AFP in English
0522 GMT 8 Mar 96*

[FBIS Transcribed Text] Hanoi, March 8 (AFP) — The Vietnamese government skirted Friday offering any early official reaction to China's missile drills off Taiwan, saying it was premature to make a comment.

"We do not yet have enough details about these tests, so we cannot make any comment," a foreign ministry spokesman said, several hours after the exercises were launched with three missile firings into target zones close to the Taiwanese coast.

The spokesman declined to say whether Hanoi had made any behind-the-scenes representations to Beijing about the missile exercises.

Vietnam normalized relations with China in 1991, 12 years after a brief, bloody border war. The two countries are still in dispute over territorial claims in the South China Sea.

Taiwan is also an important factor in the Vietnamese economy, amounting to the country's biggest foreign provider of capital.

"If the situation in the Taiwan Strait deteriorates, Vietnam would be among the countries playing firemen to put out the blaze," a western expert here said.

SRV: U.S. Servicemen's Remains, Effects Returned *BK0503160596 Hanoi VNA in English 1519 GMT 5 Mar 96*

[FBIS Transcribed Text] Hanoi VNA March 5 - Vietnam today returned to the U.S. side a number of remains and personal effects relating to U.S. servicemen reported missing in action (MIA) during the Vietnam war.

The remains were handed over to the U.S. joint task force full accounting by the Vietnam MIA office in the presence of U.S. Charge d'Affaires in Hanoi Desaix Anderson.

The remains, excavated by the joint search teams in the 39th joint search for MIAs, were identified by Vietnamese and U.S. forensic specialists from Feb. 1-3.

This is the 58th time Vietnam turned over MIA's remains to the U.S. since 1993. The U.S. side expressed thanks to the Vietnamese Government and people and highly appreciated their humanitarian policy and effective cooperation.

SRV: Malaysian Prime Minister Arrives for Official Visit

*BK0703100796 Hanoi Voice of Vietnam Network
in Vietnamese 0500 GMT 7 Mar 96*

[FBIS Translated Text] The Malaysian Government delegation led by Prime Minister Mahathir Mohamed arrived in Hanoi on 7 March on an official visit to Vietnam. Accompanying the Malaysian Prime Minister are ministers and deputy ministers of foreign trade, culture and tourism, and a large group of Malaysian businessmen.

Prime Minister Vo Van Kiet and his wife welcomed the Malaysian delegation at the Government Guest House. The Vietnamese Prime Minister expressed his delight at having the chance to welcome the Malaysian prime minister and his wife on their second visit to Vietnam. He said that the visit contributes significantly to strengthening relations between the two countries.

After the welcoming ceremony, a Vietnamese Government delegation led by Prime Minister Vo Van Kiet held talks with the Malaysian Government delegation led by Prime Minister Mahathir Mohamed.

SRV: Do Muoi, Le Duc Anh Receive Malaysian Prime Minister

*BK0703135696 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 7 Mar 96*

[FBIS Translated Text] Party General Secretary Do Muoi cordially received the visiting Malaysian Govern-

ment delegation led by Prime Minister Mahathir Mohamed at the Communist Party of Vietnam's Central Committee Office in Hanoi this afternoon, 7 March.

General Secretary Do Muoi warmly welcomed the Malaysian Prime Minister who is on his second visit to Vietnam. He said the visit strengthens the developing ties between the two countries.

Prime Minister Mahathir Mohamed expressed his delight at visiting Vietnam when the Vietnamese people are actively building and developing the national economy. He expressed the Malaysian people's wish to cooperate with the Vietnamese people in this task.

The meeting was held in the atmosphere of friendship and cordiality.

Earlier, State President Le Duc Anh received the Malaysian Government delegation at the Presidential Palace. President Le Duc Anh warmly welcomed the Malaysian prime minister saying that the visit brings Malaysian goodwill and cooperation for mutual interests, thereby contributing to the economic development program of each country. Prime Minister Mahathir Mohamed thanked President Le Duc Anh for his warm reception. The Malaysian prime minister expressed his pleasure at seeing great changes in Vietnam since his first visit in 1992. He expressed the belief that the Vietnamese economic growth will increase remarkably thanks to the Vietnamese people's capabilities and diligence. The Malaysian prime minister also expressed satisfaction at the results of his talks with the Vietnamese delegation in the morning. He said ties between Malaysia and Vietnam will develop consistently, thereby meeting aspirations of people of the two countries.

SRV: Vo Van Kiet Holds Talks With Malaysia's Mahathir

BK0703160796 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 7 Mar 96

[FBIS Translated Text] As we announced earlier, this morning the Malaysian prime minister arrived in Hanoi to begin a working visit in Vietnam. After his arrival, Prime Minister Vo Van Kiet held a meeting with Prime Minister Mahathir Mohamed at the Government Guest House.

During the meeting, Prime Minister Vo Van Kiet warmly welcomed Prime Minister Mahathir on his working visit to Vietnam, considering this an important and significant event that strengthens mutual understanding and trust, as well as the mutually beneficial friendly and cooperative ties between Vietnam and Malaysia.

Prime Minister Vo Van Kiet highly valued the Malaysian Government's policy, and that of Prime Minister Mahathir himself, to strengthen friendly, cooperative ties with Vietnam and to maintain regular high-level contact. The prime minister expressed his delight at the fine development of ties in the recent past, especially in trade and investment, and hoped this would be expanded to other areas, such as culture and education. He highly valued the sharing of assistance and experience in areas in which Malaysia is strong, such as infrastructure development, tourism, capital mobilization, personnel training, and assistance for Vietnam's activities in ASEAN.

Prime Minister Mahathir expressed his delight in returning to Vietnam and sincerely thanked Prime Minister Vo Van Kiet and the Vietnamese Government and people for the friendly reception given to him and his entourage. Prime Minister Mahathir heartily complimented Vietnam's important achievements in undertaking renovations, as well as the country's open-door, diversified, and multilateral foreign relations policy. He confirmed Malaysia's consistent policy to strengthen cooperation with Vietnam, especially in trade and investment, and Malaysia's readiness to share experiences in areas in which it is strong.

Regarding regional issues, the two prime ministers welcomed the success of the first Asia-Europe Summit and the concrete activities that followed, especially the development of the Mekong River and the trans-Asia railway system. The two leaders also confirmed the continuation of cooperation in ASEAN activities, especially at a time when Vietnam is about to register to be the host of the association's sixth summit. The two prime ministers were confident that the fine results of the visit by the Malaysian prime minister will further boost the friendly ties and cooperation between Vietnam and Malaysia, in the interests of the two peoples, for peace, stability, cooperation, and prosperity in Southeast Asia and in the world.

The meeting was conducted in a friendly, open, sincere, and mutually understanding atmosphere.

SRV Foreign Ministry Spokesman on Border Issue With Cambodia

BK0703164196 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 7 Mar 96

[FBIS Translated Text] The SRV Foreign Ministry spokesperson met with foreign newsmen on 7 March to answer their questions regarding Cambodian First Premier Ranariddh's statement related to the Vietnam-Cambodia border issue and the planning meeting be-

tween Prime Minister Vo Van Kiet and Premier Ranariddh.

The spokesperson said: The Vietnam-Cambodia border situation during the past period has been relatively calm. The Vietnamese side has seriously implemented agreements reached by the two countries' leaders on this issue. The Vietnamese and Cambodian Governments have agreed to implement major principles to resolve the outstanding problems between the two nations, including the border issue.

The two sides have agreed to set up a mechanism comprising officials of the two countries at the central and local levels to resolve the border issue. The two sides have also agreed to set up a specialists working group to discuss the border delineation and essential measures to maintain security and stability at the border areas.

The Vietnamese side has proposed that the first meeting of the border specialists working group be held in Phnom Penh from 18 to 24 March and is expecting an answer from Cambodia.

Concerning Cambodian First Premier Ranariddh's proposal for a meeting with Prime Minister Vo Van Kiet in Vientiane, Laos in early March, Prime Minister Vo Van Kiet has notified the Cambodian side that he is ready to meet with the Cambodian premier. Due to his busy schedule in March, however—especially the opening of the Ninth National Assembly's ninth session on 2 March and preparations for the upcoming party Central Committee Plenum—he has proposed to meet Premier Ranariddh in Ho Chi Minh City or in another city in southern Vietnam at the earliest convenience. If Premier Ranariddh, however, insists on meeting him in Vientiane, Prime Minister Vo Van Kiet will rearrange his schedule to comply with the request at the earliest convenience of both sides.

SRV Culture Minister Departs Cuba; Agreement Signed

*BK0403104696 Hanoi VNA in English
0730 GMT 4 Mar 96*

[FBIS Transcribed Text] Hanoi VNA March 4 — Culture and Information Minister Tran Hoan has departed Havana, concluding his five-day visit to Cuba at the invitation of Cuban minister of culture, Armando Hart Devalos.

While in Cuba, Minister Tran Hoan held talks with Minister Armando Hart, and other officials of the Cuban Ministry of Culture. The two sides briefed each other on their countries' situation, especially the work of cultural development and the exchange of experiences, and

discussed measures to further strengthen the cooperation between the two ministries.

On Jan. 29 [date as received], Minister Hoan was received by Jose Ramon Balaguer, Politburo member of the Communist Party of Cuba who is in charge of the work of ideology and external relations of the party. At the reception, Mr. Ramon Balaguer welcomed Minister Tran Hoan's visit to Cuba and expressed thanks to the Vietnamese people for their strong support to the Cuban people in their struggle for territorial integrity.

On March 1 Minister Tran Hoan and Minister Armando Hart Devalos signed a protocol on cooperation in culture, broadcasting and television for the 1996-1997 period.

SRV: Do Muoi Receives Head of Cuba's PRENSA LATINA

*BK0503161696 Hanoi VNA in English
1528 GMT 5 Mar 96*

[FBIS Transcribed Text] Hanoi VNA March 5 — Party General Secretary Do Muoi received here today Mr Pedro Margolles Villanueva, president of the Latin American news agency PRENSA LATINA, and his party who are now on a visit to Vietnam.

Mr Muoi briefed his guests on the current situation in Vietnam, directions, achievements and difficulties in the implementation of the renovation policy as well as preparations for the upcoming National Party Congress.

The party general secretary highly appreciated progresses made by VNA and PRENSA LATINA in strengthening bilateral cooperation in their professional and technical fields and expanding information on Vietnam in western hemisphere and that on Latin America in Vietnam.

He also affirmed that the state, party and people of Vietnam are always grateful to the state, party and people of Cuba and Mr Fidel Castro himself for their loyal solidarity, generous support and precious assistance and that the Vietnamese people have always on the Cuban people's in their national construction and defence. Speaking to his host, Mr. Pedro Margolles hailed the great achievements gained by the Vietnamese people in their renovation process, as a precious experience and a source of encouragement to the Cuban people as well as for the movement for national independence in the world.

Mr. Do Phuong, member of the Communist Party of Vietnam Central Committee, General Director of Vietnam News Agency (VNA), Mr. Do Van Tai, deputy head of the Party Commission for External Relations,

and Cuban ambassador to Vietnam, Ms. Tania Maceira were also present at the reception.

While in Vietnam, the PRENSA LATINA delegation had working sessions with VNA's board of directors go work out orientation and measures to promote and broaden their all-sided cooperation, particularly in professional, technical and publishing domains.

The delegation also met with party committees' leaders in Ho Chi Minh City and the central provinces of Quang Nam-Da Nang and Thua Thien-Hue and called on a number of cultural, historical and production establishments in Hanoi, Quang Ninh, and above-said localities.

SRV: Nguyen Manh Cam Welcomes Luxembourg's Foreign Minister

*BK0503034596 Hanoi VNA in English
1510 GMT 4 Mar 96*

[FBIS Transcribed Text] Hanoi VNA March 4 — Deputy Prime Minister and Foreign Minister of Luxembourg Jacques Poos arrived in Hanoi today beginning a four-day official visit as guest of the Vietnamese Foreign Minister Nguyen Manh Cam.

The Luxembourg deputy PM was accompanied by some senior diplomats and businessmen.

At the welcoming ceremony, Mr. Nguyen Manh Cam said this Vietnam visit by his Luxembourg counterpart has shown goodwill and determination by both Vietnam and Luxembourg for the promotion of their bilateral cooperation to commensurate with potential of each country and for the interest of the two nations.

He recalled that the visit last year to Luxembourg by Prime Minister Vo Van Kiet and the Vietnam visit by the Luxembourg crown prince and the minister of economy have created a basis for the friendly and cooperative ties between Vietnam and Luxembourg to develop and a favourable condition for the Vietnamese and Luxembourg business people to inquire into opportunities for cooperation and investment.

Mr. Jacques Poos spoke highly of the achievements recorded by the Vietnamese people in the present renovation. He stressed that the Vietnamese Government's open-door policy, its cooperation with neighbouring countries, and relation with the EU have confirmed Vietnam's position in international arena.

He said the Luxembourg Government had chosen Vietnam as the targetted country for its cooperation and economic development programme in Southeast Asia. A number of agreements on tourism, and industry expected to be signed during the visit will contribute to develop-

ing Vietnam's economy and consolidating the friendship between Vietnam and Luxembourg, he added.

Mr. Jacques Poos also said Luxembourg will help Vietnam realise a project on preservation of Hanoi ancient quarter as part of its assistance.

The same day, the visiting Luxembourg guest had working sessions with president of the Vietnam Chamber of Commerce and Industry, health minister, and industry minister.

SRV: Le Duc Anh Receives Visiting Luxembourg Foreign Minister

*BK0503160096 Hanoi VNA in English
1519 GMT 5 Mar 96*

[FBIS Transcribed Text] Hanoi VNA March 5 — State President Le Duc Anh received here this morning the visiting Deputy Prime Minister and Foreign Minister of Luxembourg, Jacques Poos.

Speaking to President Anh, Mr. J. Poos expressed his satisfaction at the results of his talks with Foreign Minister Nguyen Manh Cam and his pleasure at the fruitful development of bilateral cooperative ties between Luxembourg and Vietnam as well as of the multi-lateral relations of each country with other countries in their respective region. The exchange of visits between state leaders from both sides over the past time has created favourable condition for the promotion of bilateral friendship and cooperation. Agreements and accords reached between Luxembourg and Vietnam so far provided legal environment for the enhancement of cooperation and investment between the two countries' business people as to maximise the potential of each country in the interest of the two nations. President Anh was of the same view on the outcomes of the talks between the two countries' foreign ministers. And expressed thanks to the Luxembourg Government and people for their goodwill and precious assistance to the Vietnamese people in their national construction. He said he believed that the cooperation between Vietnam and Luxembourg in economic, financial, industrial, banking, and tourism areas will serve as a catalyst for the boosting of bilateral friendship and cooperation. He also affirmed that Vietnam will do its utmost to further its cooperation with the European Union (EU) as well as its member countries, thus bringing the Asia-Europe relations to a new height.

President Anh also asked his guest to convey his regards and invitation to the Grand Duke of Luxembourg to visit Vietnam.

Luxembourg's Foreign Minister J. Poos left Hanoi this afternoon for Ho Chi Minh City.

Earlier in the morning, Mr. J. Poos called at the late president Ho Chi Minh's residence. He also visited the Institute of Hematology and Blood Transfusion in Hanoi whose facilities was upgraded under a Luxembourg non-refundable project worth USD 2 million.

The same day, Mr. J. Poos had a working session with Minister of Planning and Investment, Mr. Do Quoc Sam and toured several cultural and historical establishments in Hanoi.

SRV: Vo Van Kiet Receives Visiting Luxembourg Official

*BK0503034296 Hanoi VNA in English
1521 GMT 4 Mar 96*

[FBIS Transcribed Text] Hanoi VNA March 4 — Prime Minister Vo Van Kiet received here this afternoon Jacques F. Poos, deputy prime minister and foreign minister of Luxembourg who arrived this morning for a visit.

Mr Vo Van Kiet thanked the government and people of Luxembourg for their assistance to Vietnam and said: 'Vietnam now becomes involved in the national industrialisation and modernisation. So, more than ever, Vietnam needs help and cooperation from other countries for common development.'

'With its geographical location in the EU, Luxembourg will help, as Vietnam hopes, accelerate cooperation between Vietnam and the EU in addition to its assistance to Vietnam,' the PM said, reiterating that Vietnam's priority is now given to personnel training and development of human resources and its cooperation with Luxembourg will be centralised on this sector, especially for mountain regions.

Deputy Prime Minister Jacques Poos said that Luxembourg has found the need to broaden its cooperation with and investment in Vietnam. He said 'Luxembourg's investment and cooperation projects in Vietnam, though small, are premises for the implementation of many bigger projects in the future and it is sure that the business circle from Luxembourg will pay more attention to Vietnam.'

'The path Vietnam has chosen is correct and the potential for bilateral cooperation between the two countries remains immense and Luxembourg will be a reliable friend of Vietnam in its cooperation with Vietnam as well as in its efforts to further the latter's cooperation with the EU,' he stressed.

SRV: Luxembourg Foreign Minister Concludes Visit

*BK0703035796 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 6 Mar 96*

[FBIS Translated Text] During his friendship visit to Vietnam, which began on 5 March, His Excellency Jacques Poos, deputy prime minister and foreign minister of Luxembourg, toured Ho Chi Minh City. On the same evening, he was received and given a grand banquet by Mr. Vo Viet Thanh, vice chairman of the Ho Chi Minh City People's Committee.

While in Ho Chi Minh city, the deputy prime minister and foreign minister of Luxembourg visited the People's Committee of the Third Precinct, toured a slum area in the city, met with Vietnamese businessmen, and visited the Bien Hoa industrial complex and some other places in Ho Chi Minh city.

The deputy prime minister and foreign minister of Luxembourg left Ho Chi Minh city yesterday afternoon, concluding his official friendship visit to Vietnam.

SRV: National Assembly's 4 Mar Morning Proceedings Reported

*BK0503160796 Hanoi Voice of Vietnam Network
in Vietnamese 0500 GMT 4 Mar 96*

[FBIS Translated Text] This morning, National Assembly deputies in groups discussed the two draft laws on mineral resources and cooperatives. Regarding the name of the two laws, deputies in all groups agreed to call them the Law on Mineral Resources [Luattj Khoangs Sanr] and the Law on Cooperatives [Luattj Howpj Tacs Xax].

Regarding the draft law on mineral resources, deputies of An Giang, Dong Thap, and Quang Nam-Danang gave their views on the benefits for people who live where mineral resources are located. The deputies held that there should be more concrete provisions to determine the responsibility and interests of those living in the locality of mineral resources. There should also be provision on the responsibility of the mineral exploiting agency on compensation in case it damages the environment and the health of people and animals.

Deputies from Gia Lai, Kon Tum, Dac Lac, Binh Dinh, Dong Thap also requested that the law define clearly what is small-scale exploitation, and should clarify that small-scale exploitation means exploiting small mines, rather than exploitation by rudimentary means. It is also necessary to define what level of administrative units will have authority over mineral exploitation. Deputies from Quang Nam-Danang group held that the

state should only issue small exploitation licenses to provinces and not to the districts and villages.

Regarding exploitation, deputies from Tuyen Quang, Nam Ha, Ninh Binh, Ha Giang, and Minh Hai held that it is necessary to clearly define that mineral exploitation be carried out along with mineral processing, trying to turn this into a clause equivalent to the clause on exploitation and export. If this cannot be done, at least there should be a provision which determines which types of mineral resources should be processed before export, and which can be exported in raw or semi-processed state. The exploitation tax issue should also be mentioned in the law, with a clause saying that tax payers should follow tax law stipulations.

Also, the deputies this morning discussed the protection of mineral resources, the application of technology in exploitation, and the right of heritage in exploitation.

On the draft law on cooperatives, the deputies confirmed that the cooperative is a popular economic entity in our country. The law on cooperatives should consider cooperatives as an essential part of the economy. The law should also differentiate cooperatives and other types of trade organizations such as guilds, associations, and cooperative teams. Deputies from Dac Lac, while speaking on awards for cooperative members at grassroots level, suggested that the law determine the obligations of cooperatives to benefit recipients of social entitlement within cooperatives, if we are to link the issue of reform with the welfare issue.

Regarding agricultural cooperatives, Binh Dinh deputies held that there should be separate provisions for agricultural cooperatives and for the participation of farmers. The law should also stipulate duties and responsibility as well as benefits of being chairman, and being members of the cooperative's executive committee. Deputies from Nam Ha and Ninh Binh also discussed loans for production for poor households.

The National Assembly will meet this afternoon in the conference hall and discuss the law on mineral resources.

SRV: National Assembly Issues Communiqué No. 2
BK0503085496 Hanoi VNA in English
0718 GMT 5 Mar 96

[FBIS Transcribed Text] Hanoi VNA March 5 — The National Assembly resumed its session on Monday after a weekend break to discuss bills on cooperatives and minerals which are among the three bills to be passed by this 9th session of the National Assembly (9th legislature), including the law on the state budget, the law on minerals and the law on cooperatives.

According to the communiqué released at the end of the second working day yesterday, the NA deputies held group discussions on the bill on cooperatives in the morning and the bill on minerals at the meeting hall in the afternoon.

Twelve speakers presented their ideas on the bill on minerals focussing on the following issues :

- name, questions and scope of adjustments
- management, protection and rational use of natural and resources
- interests of the local population living in the mineral deposit areas
- small-sized exploitations
- encouragement and investment in mineral exploration and processing
- tax applied to mineral exploitations
- inheritance, transfer of licences for mineral activities, and
- use and protection of existing infrastructure facilities while mining and processing.

Today (March 5), the National Assembly will continue to debate these two bills at the conference hall.

SRV: National Assembly Issues Communiqué No. 3
BK0603061596 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 5 Mar 96

["Communiqué No. 3" issued by the ninth session of the Ninth National Assembly in Hanoi on 5 March]

[FBIS Translated Text] Today, 5 March, the National Assembly worked at the Conference Hall under the direction of National Assembly Vice Chairman Phung Van Tuu. The National Assembly continued to discuss the draft law on mineral ores. Ten deputies aired their views: Vu Ngoc Hai of Haiphong, Nguyen Duc Hoai of Quang Nam, Do Van An of Son La, Nguyen Van Tu of Dong Nai, Vu Dinh Cu of Hanoi, Truong Thi Hong of Nghe An, Lam Phuc Co of Yen Bai, Nguyen Thi Khoan of Ninh Binh, Lo Van Inh of Lai Chau, and Nguyen Duy Anh of Lam Dong.

The deputies continued to voice their general assessment of the draft law. They also mentioned a number of issues to be examined carefully, such as the issue of priority in transferring the right to explore and exploit mineral ores; the issue of state management over mineral ore resources and over mining exploitation; the issue of restoring and protecting environment and habitat, protecting public interests, and building the infrastructure for mineral ore-related activities; and the issue of management over mineral ore exports and

imports. The deputies also aired their views on the concepts and terms used in the draft law.

Before concluding the airing of views on the draft law on mineral ores, National Assembly Vice Chairman Phung Van Tan reviewed the issues already discussed by the National Assembly. He proposed that the law drafting committee cooperate with the Science, Technology, and Environment Committee and the Meeting Secretariat in soliciting views to refine this draft law.

Under the direction of National Assembly Vice Chairman Nguyen Ha Phan, the National Assembly discussed the draft law on cooperatives. Twenty-three deputies aired their views: Le Duc Binh of Ninh Binh, Do Quoc Thang of Lao Cai, Truong Minh Thang of Minh Hai, Tran Minh Xuan of Khanh Hoa, Nguyen Thi Thu of Ha Tinh, Nguyen Thi Nhung of Ha Bac, Le Xuan Tru of Quang Nam-Da nang, Nguyen Hong Hai of Hanoi, Tran Du Lich of Ho Chi Minh city, Nguyen Thanh Phong of Dong Thap, Bui Van Tien of Nam Ha, Cha-Male Dieu of Ninh Thuan, Nong Thai Nghiep of Bac Thai, Nguyen Dinh Ngo of Thua Thien Hue, Pham Thi Xuan of Ba Ria-Vung Tau, Nguyen Van Sy of Gia Lai, Tran Van Mo of Ben Tre, Le Thi Tot of Tra Vinh, Truong Thi Co of Quang Tri, Nguyen Cong Hoa of Nghe An, Le Dinh Thanh of Vinh Phu, Ha Thai Binh of Soc Trang, and Pham Minh Can of Hai Hung.

Their views focused on the following issues: The objectives and scope of adjustments to the law on cooperatives; stipulations on the establishment and registration of businesses; the organizational principles and operations of cooperatives; the by-laws for each kind of cooperative; stipulations on the rights and obligations of cooperative members; quality standards for cooperative members; conditions for people to join and leave cooperatives; the organization and management of cooperatives; the issue of merging and splitting cooperatives; the issue of terminating the activities of a cooperative that has not been deactivated or declaring a cooperative bankrupt; and the issue of capital, property fund, distribution of profits, and the resolution of losses.

Tomorrow, 6 March, the National Assembly will continue to hold discussions at the Conference Hall on the draft law on cooperatives.

SRV: Deputies Debate Cooperatives Bill, Economic Planning

BK0603142796 Hanoi Voice of Vietnam Network
in Vietnamese 1100 GMT 6 Mar 96

[Report by unidentified correspondent on the 6 March session of the ninth National Assembly in Hanoi]

[FBIS Translated Text] Today is the fourth working day of the ninth session of the Ninth National Assembly. During the morning, the National Assembly deputies continued to debate the bill on cooperatives at the Conference Hall under the direction of National Assembly Vice Chairman Nguyen Ha Phan.

In order to avoid repetition in statements made by the deputies, Minister Do Quoc Sam, chairman of the Compilation Committee for the Bill on Cooperatives, explained some issues brought up by the deputies in previous days, offered suggestions made by his compilation committee, and presented some supplementary issues requested by the deputies.

Then the National Assembly heard 15 statements on the following issues:

- It is necessary to clearly define the role of the cooperatives management board, the founding members, and the representatives of the cooperative members and also the number of cooperative members.

- The benefits of the management board should be decided by the congress of cooperative members. The members of the management board cannot consist of relatives of a member—such as a husband or wife, parents, and so forth.

- Regarding the issue of capital, many held the opinion that members want to join a cooperative because they lack capital. On the other hand, a cooperative should not bar a member from contributing more than 30 percent of the total capital of the cooperative, because all cooperatives require a lot of capital. In addition, party regulations stipulate that party members must not conduct private business. Therefore, the role of the cooperatives is currently very necessary.

- Most opinions were that the section dealing with the working group should be removed from Article 1 and added to the last clause of Article 3.

- Regarding income distribution, the deputies held that income should be divided in accordance with the percentage of capital contribution and the number of cooperative members involved in capital contribution and production. Income should also be shared with people who assist the cooperatives.

— Many opinions were also expressed regarding the cooperatives fund. They held that the cooperatives fund should not be allocated to social welfare activities because a cooperative is a collective economic unit with capital contributed by its members.

— Finally, the deputies brought up the issue of the responsibility of local authorities at all levels over the cooperatives. The district authority grants the certification of formation, but a license for production or business should be granted by a responsible state organ. The subward or village authority must also have oversight over the management of land and property and the implementation of social policies in the cooperatives.

After nearly four hours of debate, most of the opinions expressed held that the National Assembly should quickly pass and promulgate the law on cooperatives in the current multi-sectoral economy.

During the afternoon, the deputies discussed in groups the government supplementary report on the implementation of the 1995 planning and execution of the 1996 planning. Most opinions expressed were that the government had exerted many efforts in its management work in 1995. Therefore, the government recorded significant achievements during the year. We also, however, encountered many difficulties in 1995, especially the poor performance in budget collection and expenditures and the loss of revenue collection in many areas, such as fees, land taxes, and infrastructure taxes. Social evils were also increasing, especially drug addiction, prostitution, and illegal lottery gambling.

The National Assembly will continue work tomorrow at the Conference Hall on the government supplementary report on the implementation of the 1995 planning and execution of the 1996 planning.

SRV: National Assembly Issues Communiqué No. 4
BK0603153196 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 6 Mar 96

[“Communiqué No. 4” issued by the ninth Session of the Ninth National Assembly in Hanoi on 6 March]

[FBIS Translated Text] Under the chairmanship of National Assembly Vice Chairman Nguyen Ha Phan, the National Assembly debated the bill on cooperatives in the conference hall this morning. Before the National Assembly continued its debate, Comrade Do Quoc Sam, minister of planning and investment, on behalf of the legislative compilation committee, presented the plan for the revision of the bill in accordance with views contributed by the National Assembly deputies. There were 14 statements made by the deputies. They voiced

their opinions on the common issues of the bill and on the following:

- The forms of the cooperatives;
- The organization and management of the cooperatives;
- Regulations concerning rights and obligations of cooperatives members;
- All levels of state management over the cooperatives;
- The management role of subward or village authorities over the cooperative;
- Issues relating to assets and finance of the cooperatives; and
- Activities of party and mass organizations in the cooperatives.

Before concluding the debate, National Assembly Vice Chairman Nguyen Ha Phan reviewed all views expressed by the deputies. He suggested that the compilation committee revise the bill before submitting it to the National Assembly for a decision.

In the afternoon, the National Assembly deputies in groups discussed the government supplementary report on the implementation of the 1995 plan and the execution of the 1996 plan.

The National Assembly will continue their debate on the government supplementary report on the implementation of the 1995 plan and the execution of the 1996 plan at the conference hall tomorrow, 7 March.

SRV: Deputies Debate Government Report on 1995-96 Tasks

BK0703163696 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 7 Mar 96

[Report by unidentified correspondent on 7 March proceedings of the ninth National Assembly session in Hanoi]

[FBIS Translated Text] National Assembly deputies continued their work at the Ba Dinh Conference Hall in Hanoi today to discuss the government's supplementary report on work implementation in 1995 and measures for tasks in 1996. A total of 18 deputies gave their views. All of them unanimously agreed with the government report. Appraising the tasks in 1995, many deputies emphasized the achievements of the various sectors. They also raised the issues related to shortfall in revenue collection and proposed methods to improve tax collection and to eliminate tax evasion at state and non-state enterprises and at export-import establishments.

Concerning the implementation of 1996 tasks, the deputies agreed with the government's five-point measure, which includes efforts to balance satisfactorily the

state budget; to mobilize resources at home and abroad for investment development; to renovate management mechanisms; to carry out administrative reforms; to practice thrift; and to eliminate corruption, waste, and smuggling. Many deputies urged the state to focus on investing in various mountainous provinces and to help improve cultural, educational, and public health activities.

The National Assembly will continue to discuss the government report on work implementation in 1995 and measures to carry out 1996 tasks at the conference hall tomorrow.

**SRV: National Assembly Office Issues
Communique No. 5**

*BK0703163896 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 7 Mar 96*

[“Communique No. 5” issued by the ninth session of the Ninth National Assembly in Hanoi on 7 March]

[FBIS Translated Text] The National Assembly Office issues Communique No. 5 as follows:

National Assembly deputies discussed the government supplementary report on the implementation of 1995 tasks, and orientations for 1996 tasks, under the chairmanship of National Assembly Chairman Nong Duc Manh at the conference hall today, 7 March.

Before the deputies began their discussion, National Assembly Chairman Nong Duc Manh gave an initial evaluation of the task implementation as determined by the National Assembly resolution in the later months of 1995 after the eighth session of the National Assembly, and during the first months of 1996. He also raised some important issues that National Assembly deputies needed to focus on. The deputies agreed with the government's evaluation of the achievements in the various sectors and expressed their views, focusing on the following concrete issues:

- Implementation of budget targets,
- Budget revenue collection-expenditure,
- Coordination between agencies and localities in budget revenue collection-expenditure,
- Measures to increase revenue and reduce spending,
- Measures to control inflation,
- Tax system and tax agency reforms,
- Supervision of local tax agencies,
- Measures to limit shortfalls in tax collection in non-state businesses,
- State auditing task,
- Price control of several essential commodities such as electricity, gas, and cement,

— Results of pilot investment projects Nos. 65, 95, and 90.

— Reorganization of administrative structure and staff reduction,

— Wage and salary reforms,

— Wage balance among different sectors,

— State capital management in state business sectors and banking,

— Prevention of harmful cultural products and preservation of the nation's cultural values,

— Educational reforms and raising the quality of education and training,

— Implementation of social programs.

During the discussion, Finance Minister Ho Te and Do Quoc Sam, minister for planning and investment, took the stage to explain a number of issues.

The National Assembly will continue to discuss the government supplementary report on the implementation of 1995 tasks and orientations for 1996 tasks at the conference hall tomorrow morning. The deputies will discuss the draft law for the state budget in groups later in the afternoon.

SRV: Vo Van Kiet's Activities at Asia-Europe Meeting Reviewed

*BK0603132996 Hanoi Voice of Vietnam in English
1000 GMT 6 Mar 96*

[FBIS Transcribed Text] A historic event took place early this month — the Asia-Europe Meeting in Bangkok, which is a new turn in relations between the two continents. Vietnam was the poorest of developing countries representing Asia, but its significant role and position in the region were reconfirmed at the summit. Here is our radio report on the historic summit:

During his participation in the Asia-Europe Meeting in Bangkok, Vietnamese Prime Minister Vo Van Kiet made a series of bilateral contacts with the leaders of countries of both continents. In both bilateral and multilateral meetings, Vietnam gained special attention. British Prime Minister John Major said: The world now has a different view of Vietnam. French President Jacques Chirac said: The current interest in Vietnam was not only a matter of sentiment but also a political strategy to create a balance in the region. Chinese Premier Li Peng stressed the importance of consolidation and development of friendship and cooperation with Vietnam and hoped it would continue. German Chancellor Helmut Kohl asked the summit delegates to congratulate the success of Vietnam's renovation process. He also expressed his wish to visit Vietnam again.

Participants from both Europe and Asia at the Bangkok meeting considered Vietnam as people in the same boat and appreciated Vietnam's active participation in preparing for the Asia summit meeting.

Vietnamese Foreign Minister Nguyen Manh Cam participated in constructive talks with his ASEAN counterparts. The (?alignments) between Asia and Europe will be a long process; therefore, efforts should be concentrated on key issues such as investment, trade, and transfer of technology.

Economic relations will promote cooperation in other areas, which will promote mutual understanding. This, in turn, will have an impact on community development. On cooperation, preferential assistance should be given to poor and developing Asian countries, especially in the lower basin of the Mekong River through the strengthening of cooperation between small and medium businesses. This was mentioned by Prime Minister Vo Van Kiet's speech at the Asia-Europe Meeting.

During the Asia-Europe Meeting, foreign journalists paid much attention to Vietnam. They expressed their interest in Vietnam's current renovation process to the Vietnamese delegation. Mr. Hawazi Daipi, assistant editor-in-chief of Singapore Press Holdings, said:

[Begin Hawazi Daipi recording] Singapore has a long history of relationships with Vietnam, a long history of trade between the two countries. After the problems between our state and Vietnam were over, Singapore was in the forefront in expanding relations with Vietnam and had offered technical assistance to Vietnam, and had offered assistance to help Vietnam integrate into ASEAN. I think this relationship will only expand because there are investment opportunities in Vietnam that Singapore companies can tap, and the government has already encouraged Singapore businessmen to go to Vietnam to invest. Already Singapore is involved in development of townships and road construction, and I think the relationship will only improve further. [end recording]

SRV: Asian Development Bank To Aid Private Sector Development

BK0703152296 Hanoi VNA in English
1234 GMT 7 Mar 96

[FBIS Transcribed Text] Hanoi VNA March 7 — Programmes for private sector development will receive priority in ADB's [Asian Development Bank] strategy in Vietnam from 1996 onward, according to Mr John Taylor, director of the infrastructural and financial sector department ADB Asian Development Bank (ADB).

Speaking [to] Deputy Prime Minister [PM] Tran Duc Luong at a reception here yesterday afternoon the ADB official offered the deputy PM some of ADB's recommendations and expressed hope that ADB-funded projects will be successfully carried out here.

In recent years, the bank's investment sources, have been reserved for infrastructure development with priority given to projects for the upgrading and completion of national back-bone Highway No.1.

After hailing the recommendations made by the ADB, Mr Luong spoke highly of the bank's cooperation with and assistance to Vietnam over the past few years. He said he believed that infrastructural projects financed by the bank will take effect in the near future, serving the national construction and development of Vietnam.

Most of the ADB's development projects are currently concentrated on the upgrading of Vietnam's out of date infrastructure system, the deputy PM said, adding that the Vietnamese Government has developed measures to mobilise capital sources for the implementation of a number of projects.

Mr Luong said that he hoped that Vietnam will receive further assistance from the bank to boost agriculture production and projects for the needy so as to improve their living standards.

SRV: Vo Van Kiet Approves Building 300-Megawatt Power Station

BK0603084496 Hanoi Voice of Vietnam in English
1000 GMT 5 Mar 96

[FBIS Transcribed Text] The Prime Minister has approved the project on building the Quang Ninh thermo-power station with the designed capacity of 300 megawatt. Investment is estimated at 3,829 billion Vietnamese dong and is expected to be operational before 1999.

SRV: Ho Chi Minh City Holds Conference on Culture, Ideology

BK0703093496 Hanoi QUAN DOI NHAN DAN
in Vietnamese 1 Mar 96 pp 1, 4

[Unattributed report]

[FBIS Translated Text] As already reported, a conference on culture and ideology was held in Ho Chi Minh City from 27-29 February 1996 to assess the results of cultural and ideological work for 1995 and set forth orientations and tasks for 1996.

After hearing a recapitulative report presented by Comrade Ha Dang, member of the party Central Committee and head of the Culture and Ideology Department,

the delegates devoted most of their time to discussing and contributing suggestions. They focused their views on the fact that given the requirements and tasks of the new revolutionary stage, efforts must be made to accelerate ideological work by evaluating results and by making use of past experiences. Resolute measures must be taken to overcome shortcomings in all fields, improve the quality and efficiency of ideological work, promote everyone's love for the nation and socialism, and uphold the glorious traditions of the revolution and spirit of self-reliance and self-sufficiency. Steps must be taken to improve everyone's political acumen, knowledge, ability to act, moral ethics, and confidence in the party's leadership and the renovation undertaking. Measures must be worked out to whip up a widespread mass movement to successfully implement the socioeconomic tasks to be set forth by the Eighth National Party Congress.

The delegates made it clear that the current situation was favorable for the implementation of ideological work because the people's living conditions have improved, cultural life has developed, and everyone's confidence in the party and the renovation cause has been strengthened. It is necessary to satisfactorily carry out party-building work among the people and propagate communist ideals among youth, especially among high school and university students. It is important to seek ways to make Marxism-Leninism, Ho Chi Minh ideology, and party lines appeal to youths. It is necessary to closely link genuine patriotism with proletarian internationalism.

Recently, mass organizations have developed vigorously and participated in quality activities. It is necessary to implement ideological work through these organizations and provide adequate funding to ensure that political refresher courses for lecturers yield better results. In implementing ideological work, one must take into

account the close relationship between rural and urban areas. It is necessary to provide information to the grass-roots level to guarantee democracy in the party. Care must be taken to educate everyone on the history and glorious traditions of our nation...

Comrade Nguyen Duc Binh addressed the conference on behalf of the Secretariat. After dealing with some pressing cultural and ideological issues, he stressed the need to firmly grasp major goals and orientations, namely national independence and socialism, and apply them to each specific stage of development, task, and area of activities. It is important to take into account advantages and achievements because these are the foundation of confidence and determination. At the same time, it is necessary to be aware of difficulties and obstacles in order to work out measures to overcome them. More than anyone else, cadres in charge of ideological and cultural work must be politically aware. Not only do they have to consolidate their own stance but must also know how to motivate other people to so.

In expressing his views, Comrade Nguyen Van Linh, adviser to the party Central Committee, provided a profound analysis to make everyone realize complicated national and international developments. He pointed out the need to implement ideological work from the viewpoint of methodology and for analysis to be done according to the dialectical approach to understand the nature of events based on the current complicated situation. He emphasized that more than anyone else, cadres in charge of ideological work must firmly grasp Marxism-Leninism, Ho Chi Minh ideology, and party lines to help cadres and the people with ideological orientations and must be quick to lay bare the dark schemes of hostile forces to safeguard revolutionary gains.

Australia

Australia: Evans Warns U.S. Congress Over BHP Sanctions

BK0503111496 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 16 Feb 96 p 8

[Report by Geoffrey Barker]

[FBIS Transcribed Text] The Minister for Foreign Affairs, Senator Gareth Evans, warned the United States yesterday that threatened Congressional economic sanctions against such companies as BHP (Broken Hill Propriety) would badly damage foreign investment and business in the U.S.

He predicted that commercial if not political consequences would prompt the Administration and "saner elements" in Congress to tone down legislation forcing BHP to back away from a \$U.S. 1 billion (\$1.32 billion) Iran-Pakistan gas pipeline project.

Speaking on an ABC Lateline debate with the Coalition Foreign Affairs spokesman, Mr Alexander Downer, Senator Evans said Australia had argued strongly in the past against the overreach of legislation of the type being sponsored by Senator Alphonse D'Amato.

The D'Amato legislation, now through the U.S. Senate, would deny foreign companies the ability to do business in the U.S. if they participated in projects inconsistent with U.S. foreign policy objectives.

Senator Evans said U.S. legislation to inhibit U.S. companies should not "bash third parties ... the Administration is conscious that if they start applying secondary boycotts or sanctions against countries like us that might, through companies like BHP, engage in commercial contracts in Iran ... that's going to bite very badly in terms of the willingness of many countries and companies around the world to invest in the United States," he said.

Australia: 'Secret' Paper Cites U.S. 'Plans' To Defend Taiwan

BK0803010896 Hong Kong AFP in English 0059 GMT 8 Mar 96

[FBIS Transcribed Text] Sydney, March 8 (AFP) — The United States would send forces to protect Taiwan from Chinese attack, according to a secret Australian government document published Friday by The Sydney Morning Herald.

The document, which sources told AFP was genuine, was leaked to the paper ahead of the launching by China of test missiles close to Taiwan on Friday.

The report was sent by Australia's defence attache in Beijing, Colonel Paul McGrane, to Canberra's Defence

Intelligence Organisation and the powerful Office of National Assessment, the paper said.

McGrane is quoted as saying that a senior US embassy official in Beijing had revealed to him US plans to defend Taiwan if war broke out between the nationalist island and the Communist mainland.

McGrane said the US official had stated that "in any conflict between Taiwan and China, the US would support Taiwan militarily; not just material support but with the actual deployment of forces."

When questioned as to whether this was his own opinion or a policy decision, the official had stated that it was a policy decision and that it had been discussed at the US embassy "country team meeting" on February 16.

"The ramifications of such action were then discussed and he finished the conversation abruptly by saying: 'What did we expect? The US had a treaty with Taiwan and Taiwan had a lot of friends in Congress'."

Australian government officials refused to comment on the document Friday, but it is understood they are alarmed that Washington might put pressure on Australia to help defend Taiwan.

They are also concerned about the leaking of the document at such a sensitive time.

Analysts who see the missile firing as an attempt by Beijing to intimidate Taiwanese voters in the lead-up to the island's first presidential election on March 23 say publication of the document here is likely to provide great relief to Taiwan and anger in China.

Its publication coincided with a strong statement by Washington describing the missile tests by China as "provocative and reckless".

"We would be deeply disturbed by any tests of that nature," White House spokesman Mike McCurry told reporters.

Where there were tensions in the Taiwan Strait they needed to be addressed through direct dialogue across the Taiwan Strait, McCurry said.

Taiwan's defence ministry said earlier in a statement that China had fired two surface-to-surface missile tests in two areas in the sea near the island.

Officials in Canberra where a new conservative government has yet to be sworn in following the weekend defeat of the Labor government would say only that they are watching the situation off Taiwan closely and "very concerned about any actions that disrupt regional security."

Australia: Document Says U.S. Would Protect Taiwan**BK0803041496 Sydney THE SYDNEY MORNING HERALD in English 8 Mar 96 p 1****[Report by Foreign Affairs Correspondent David Lague: "Revealed: U.S. Plan To Save Taiwan"]****[FBIS Transcribed Text]** A secret Australian government document says the United States would send forces to protect Taiwan from a Chinese attack — as Beijing prepares to begin missile tests dangerously close to the island today.

Australia's defence attache in Beijing, Colonel Paul McGrane, said in a report last month to the Defence Intelligence Organisation and the Office of National Assessments in Canberra that a senior U.S. Embassy official in Beijing had revealed Washington's intention to defend Taiwan if war broke out with China.

"He stated that in any conflict between Taiwan and China, the U.S. would support Taiwan militarily; not just material support but with the actual deployment of forces," Colonel McGrane said.

"When questioned as to whether this was his own opinion or a policy decision, he stated that it was a policy decision and that it had been discussed at the U.S. Embassy country team meeting last Friday (February 16).

"The ramifications of such action were then discussed and he finished the conversation abruptly by saying: 'What did we expect? The U.S. had a treaty with Taiwan and Taiwan had a lot of friends in Congress.'"

A Defence Department spokesman refused to comment last night on Colonel McGrane's report but senior Australian officials are alarmed that the U.S. might put pressure on Australia to help defend Taiwan.

The Clinton Administration has refused to say how it would respond to Chinese aggression against Taiwan despite strong pressure from Congress to give a public undertaking to defend the increasingly democratic island.

However, Washington officials have warned Beijing that it would be unwise to use force to settle the sovereignty dispute.

The U.S. Defence Secretary, Dr William Perry, on Wednesday called Beijing's decision to mount the provocative missile tests as a "very bad mistake".

Taipei has threatened to retaliate with a missile strike if the Chinese missiles land on or dangerously near Taiwan.

Most analysts agree that Beijing (is trying) to intimidate Taiwanese voters in the lead-up to the island's first presidential election on March 23 which is expected to return the incumbent, President Li Teng-hui.

Mr Li has led a campaign to boost Taiwan's international standing in the face of fierce opposition from China and is expected to continue this policy if he wins the election.

There are reports that Beijing has moved about 150,000 troops to the mainland coast near Taiwan for a series of exercises after the week-long missile tests.

Defence analysts believe China lacks the military power to mount an invasion of Taiwan but it is possible that it could seize Kinmen Island just two kilometers from the mainland port of Xiamen.

Other Australian government documents say senior U.S. military officials have told their Australian counterparts that the Pentagon believes it would be unable to stop a Chinese assault on the heavily fortified Kinmen but the Chinese Government has been warned that Washington would block any move against Taiwan proper.

Australia: Editorial Views PRC-Taiwan Tension Over Missiles**BK0803063496 Sydney THE SYDNEY MORNING HERALD in English 8 Mar 96 p 10****[Editorial: "Fragile China"]****[FBIS Transcribed Text]** How much simpler it would be if the rest of the world could regard, as Beijing does, the missile exercises planned for today off the coast of Taiwan as an internal Chinese matter. After all, both the People's Republic of China in Beijing and the Republic of China in Taipei officially regard Taiwan as part of China. It is one of the few points of agreement between the two regimes, which have been fighting a civil war, hot and cold, for much of this century. In a long line of confrontation incidents, the missile exercises are just one more aggravation.

Yet there are reasons for the rest of the world to be concerned this time. There is the risk of damage and loss of life and, as a consequence, the danger of retaliation by Taipei and an escalation to open conflict. The missiles will be unarmed, but the tests are plainly reckless. Last month, a Chinese Long March rocket, intended to launch a satellite, crashed soon after lift-off. And the last time China conducted similar missile exercises off Taiwan some of the weapons came down well off target.

More complicated are the international objections to the missile tests. The tests are plainly intended to intimidate. If any other country did what China is about to do it

would be seen as an act of war. Indeed, if the teasing game China has now begun becomes more serious, that is just how it could well be seen by a powerful body of opinion in the US Congress. That could be enough to cause the United States to take military action to protect Taiwan.

If the crisis develops in that way, Beijing will naturally say it is the fault of foreigners. Yet what has been the direct cause of the decision by an uncertain leadership in Beijing to intimidate Taiwan in this dangerous way? It is the challenge of political developments in Taiwan. General elections were held in December and there will now be election on March 23 to choose a new president. For decades Beijing stood back and watched Taiwan build one of the strongest economies in the region. Now Beijing has changed its economics, but it cannot cope with the political challenge constitute by the flowering of democracy in Taiwan. Beijing has reached its accommodation with capitalism. But with communism displaced it has been unable to fill the ideological vacuum with anything better than an irredentist nationalism.

No doubt there is a strong element of provocation in Taipei's stance generally towards Beijing. The civil war does go on. But it can hardly be said that the move to develop, for the first time in China's long history, a democracy based on competitive, free and fair elections is a threat meriting the potentially dangerous response Beijing proposes to launch today.

Australia: Coalition Prepares To Assume Power

*BK0403052096 Sydney THE AUSTRALIAN
FINANCIAL REVIEW in English 4 Mar 96*

[Report by Tom Burton and Louise Dodson — received via Internet]

[FBIS Transcribed Text] John Howard has claimed the right to implement his full reform program, after a 5.3 per cent swing saw him decisively claim the Prime Ministership with a majority which sets up his Government to rule for at least two terms.

Mr Howard's emphatic win has raised expectations of a more aggressive approach to reform.

One senior shadow minister said the 46-seat majority achieved by the Coalition in Saturday's poll gave them moral authority to "translate this majority into a new mandate".

The victory and expectations the Coalition will go beyond its publicly stated mandate is set to fuel a strong response from equity and financial markets today.

"We have been elected with a mandate, a very powerful mandate, and whilst I will seek at all times for unity and a commonpoint view, we have not been elected to be just a pale imitation of the Government we have replaced," Mr Howard said in his acceptance speech.

"We need to implement the program on which we were elected and I want to make it very clear that there will be an absolute determination with fairness and understanding to do that, and to do it with resolution and without qualification."

Mr Howard was yesterday briefed by senior officials from the Department of the Prime Minister and Cabinet on the transition to government. Discussion topics included:

- The structure of the bureaucracy and front bench.
- The establishment of Mr Howard's office.
- Implementation of the Coalition's policy agenda.

The incoming Government is expected to soon face its first major policy test, with Treasury ready to brief the new Treasurer, Mr Peter Costello, on the state of the Budget.

"I suppose I can reveal now that I actually rang Treasury head Ted Evans two days ago and asked him to have the figure ready," Mr Costello said on election night.

"He said it would be no trouble having the figure ready by Sunday or Monday.

"Would I be pleased if we were heading for a deficit? No. I hope Australia is heading for a surplus.

"I've seen some private-sector forecasts which seem very bad and I've seen some that say the Budget could still be as projected."

The Coalition promised to immediately release the forward estimates for the Budget if elected.

Financial markets are looking for evidence the Coalition is ready to embark on major spending cuts, with widespread expectations the starting point for the Budget has blown out to somewhere between \$3 billion to \$6 billion [Australian dollars].

Mr Howard has ruled out any increases in taxes and has committed the Coalition to deliver all his election promises ahead of any fiscal consolidation.

But Coalition sources said he is conscious he is going to come under pressure for a faster pace of economic reform and especially a more fiscally conservative stance than indicated during the campaign.

Ahead of the crucial briefings on the Budget bottom-line from Treasury, Mr Howard wants to maintain the promises and a responsible Budget outcome.

He is expected to look at further spending cuts to the public sector, if that is required, rather than to let the Budget blow out.

Meanwhile, the ACTU [Australian Council of Trade Unions] president, Ms Jannie George, signalled yesterday that the unions intended taking a hardline approach to wage demands, arguing that the absence of an accord between the unions and the Coalition would see unions try to determine wages outcomes in the marketplace: "The claims will be higher than those currently in the marketplace."

The Coalition's spokesman on industrial relations, Mr Peter Reith, played down concerns about a wage break-out: "Our wages policy is that what we ought to do is make the structural changes to encourage wages growth to be based on productivity."

The Coalition leadership group is expected to meet Mr Howard this afternoon to discuss the carve up of ministries.

The National Party is under pressure from Mr Howard to sacrifice one of its seven frontbench positions after the Liberals gained a majority in their own right. The loser is likely to be either the Northern Territory's Senator Grant Tamberlain, or Queensland's Mr Warren Truss or Mr Bruce Scott.

At this stage, it is likely that the newly elected former NSW [New South Wales] Premier, Mr John Fahey, and a former Tasmanian frontbencher, Mr Warwick Smith, will be promoted straight into the ministry.

Other new ministers are expected to be South Australia's "dry" [conservative], Mr Ian McLachlan; a former NSW Government minister, Mr Ian Causley; and, possibly, a South Australian powerbroker, Senator Nick Minchin, and the NSW Senator Bob Woods.

Those facing removal or demotion include Mrs Bronwyn Bishop, Mrs Chris Gallus and Senator Amanda Vanstone.

The Coalition's first party meeting is expected to be held mid-week, after which Mr Howard will choose his front bench.

Australia: Announcement of New Cabinet Lineup Previewed

BK0803010196 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 8 Mar 96

[Report by David Shires — received via Internet]

[FBIS Transcribed Text] The Prime Minister-elect, Mr John Howard, will today announce a major shake-up of the Public Service and the structure of government, including cuts in the number of departments, Cabinet ministers and ministers.

Government departments will be reduced from 20 to 18, the Cabinet cut from 17 to 15 and the ministry itself scaled back from 31 to 28.

The Public Service cuts are understood to be part of an overhaul of administrative arrangements across the whole of government, rather than incremental changes or the merging of a handful of departments.

However, the Coalition leadership group remained tight-lipped yesterday on the specifics of the changes.

A major reshaping of the structure of government would allow Mr Howard to spill all senior Public Service positions at secretary and deputy secretary level in one swoop, quashing ongoing speculation about which senior officials were to be "purged" or "favoured" after 13 years of Labor incumbency.

Labor included a similar spill as part of its 1987 departmental shake-up. Mr Howard's move to cut back on ministerial positions is also likely to see as many as six leading Coalition figures who were on the front bench in Opposition excluded from the ministry.

Speculation about the new bureaucracy was rife in Canberra last night.

It includes the formation of a super-ministry taking in primary industries, energy and environment, probably under the National Party's deputy leader, Mr John Anderson.

The National Party has traditionally held the primary industry portfolio in Coalition Governments. The super ministry would go some way towards appeasing it for an overall reduction in ministry representation.

Mr Ian McLachlan, who is understood to have wanted the environment portfolio, is tipped in some quarters to become the Minister for Finance rather than serve as second string under Mr Anderson.

Industrial Relations is another department that is expected to be split, with part going to the Public Service Board and part to Employment.

Education could be merged with the science and technology components of the industry portfolio, while tourism may join aviation and transport under the National Party's Mr John Sharp.

Mr John Moore is expected to preside over a reshaped Industry Department, possibly absorbing the Department of Housing and Regional Development, small business programs and enterprise development programs from right across the Government.

The fate of the Department of Administrative services, with its core functions possibly headed for Finance and Industry, is also in the balance.

Whether the changes will incorporate an actual downsizing of the functions of government, and therefore genuine Budget savings, is unclear.

But Mr Howard's staff indicated yesterday that, after a lengthy hiatus following the election, the new Prime Minister will go to work today to justify the "long march" to government.

After more than a decade of arguing the merits of smaller government, "Mr Howard will practice what he has been preaching", a spokesman said last night.

During the election campaign, Mr Howard listed a 6 per cent reduction in public service running costs, involving the loss of 2,500 jobs, as part of his savings package.

Late yesterday, senior frontbenchers had still not received the call from Mr Howard's office about their new ministerial roles.

Some portfolios, like foreign affairs, are coveted by more than one strongly credentialled candidate — in this case, the former Leader of the Opposition, Mr Alexander Downer, and the Coalition Senate leader, Senator Robert Hill.

On the strength of Mr Howard's win, some observers suggest that he neither needs nor intends to honour past backroom deals.

That perception will focus particular attention on the fate of prominent frontbenchers in Opposition such as Ms Bronwyn Bishop.

Only Mr Howard, his Liberal deputy, Mr Peter Costello (Treasurer) and the Deputy Prime Minister, Mr Fischer (Trade) are certain of their portfolios and have received briefing from departments.

Mr Costello is understood to have been briefed by the Secretary of the Department of Finance, Mr Steve Sedgewick, and the Commissioner of Taxation, Mr Michael Carmody, yesterday, completing his first round of briefings.

The Treasury Secretary, Mr Ted Evans, and the Governor of the Reserve Bank, Mr Bernie Fraser, briefed Mr Costello earlier this week.

Australia: Incoming Prime Minister Announces Cabinet Lineup

*BK0803062896 Melbourne Radio Australia
in English 0500 GMT 8 Mar 96*

[FBIS Transcribed Text] Australia's incoming prime minister, John Howard, has announced the composition of his first ministry. Stuart Heather reports that Mr. Howard has reduced the number of portfolios from 30 to 28, and similarly cut the size of the cabinet of senior ministers from 17 to 15.

[Begin Heather recording] In John Howard's ministry, the deputy prime minister, Tim Fischer, is confirmed also as the trade minister and Alexander Downer at foreign affairs. Mr. Howard has abolished the separate portfolios for Pacific island affairs and development co-operation. These are again part of the foreign affairs minister's responsibility. In a surprise announcement, the former opposition spokesman for the environment, Ian McLachlan, has become defense minister. Senator Jocelyn Newman, who was the Coalition spokesperson on defense, has been appointed as the social security minister and minister assisting the prime minister for the status of women. Other appointments confirm former opposition shadow ministers in their government portfolios, including Peter Costello as treasurer, Peter Reith for industrial relations, Richard Alston in communications and the arts, and Dr. Michael Wooldridge as health minister. [end recording]

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